

Sandspring Resources Commences 2016 Exploration Campaign

August 17, 2016 – Denver, Colorado and Vancouver, British Columbia – Sandspring Resources Ltd. (SSP: TSX-V) (“Sandspring” or the “Company”) is pleased to announce commencement of the 2016 exploration campaign at its Toroparu Gold Project (“Toroparu”) in Guyana, South America.

Sona Hill Prospect

In 2015 the Company completed a 3,700-meter diamond drilling program on the promising Sona Hill Prospect, located 5 km southeast of the main Toroparu deposit. Sona Hill is the eastern most gold anomaly in a cluster of ten gold features located within a 20 km by 7 km hydrothermal alteration halo around Toroparu. Drilling at Sona Hill in 2012 and in 2015 intercepted high-grade mineralization in both saprolite and bedrock, and confirmed the continuity and grade potential of the Sona Hill mineralization. Highlights from the 2015 drill program include:

Hole-ID	From (m)	To (m)	Drill Width (m)	Weighted Gold Grade Average (g/t)
SOD022	53.5	59.4	5.9	23.41
<i>incl.</i>	56.5	58.0	1.5	41.40
SOD029	62.7	66.7	4.0	8.72
<i>incl.</i>	62.7	64.0	1.3	16.80
SOD031	0.0	4.0	4.0	8.45
<i>incl.</i>	0.0	2.5	2.5	11.40
SOD032	86.1	90.0	3.9	5.48
<i>incl.</i>	86.1	87.2	1.1	17.20
SOD009	101.4	105.3	4.0	6.84
SOD009	68.3	74.5	6.2	3.74
SOD038	44.5	55.0	10.5	3.63

* (cut-off grade 0.5 g/t; no grade capping applied)

Drilling to date has confirmed Management’s belief that the Sona Hill anomaly hosts higher-grade, shallower mineralization that could complement the existing Toroparu and Satellite deposits and improve project economics. To further confirm the continuity of mineralization between existing drill holes, Sandspring has initiated a 5,800-meter infill drilling program in 50 diamond drill holes on 50m x 50m spacing ([Figure 1](#)). This drill density is designed to allow the Company to model and estimate a resource for the Sona Hill anomaly that can be incorporated into the mine plan for the Toroparu project. The drill program should be complete in early December, with results available in February 2017.

Concurrent with the drill program, Sandspring is extending surface exploration west of the Sona Hill anomaly. The program includes saprolite geochemical as well as geophysical surveys designed to identify gold mineralization down-dip and to the west of mineralization currently delineated at Sona Hill. The presence of magnetite in the hydrothermal alteration zones that carry gold mineralization at Sona Hill provide a potential marker for ground magnetics and induced polarization survey methods to trace the mineralization and further define the structural setting in the targeted exploration area. The program includes eight line kilometers of ground

geophysics at 100m and 200m spacings ([Figure 2](#)), additional sampling to tighten the saprolite geochemistry grid to 100m x 50m, and a small alluvial sampling program.

Otomung Concession

Geochemical surveys in 2015 identified new gold anomalous features in the Otomung Concession north of Toroparu, suggesting a geological context similar to that of the Toroparu Deposit, as predicted by Sandspring's restraining shear bending zone geologic model for the area ([Figure 3](#)). The Toroparu Deposit and surrounding gold anomalies lie at the southern edge of a large bending zone in the Puruni Shear Corridor, a regional feature that can be traced more than 100km into the prolific Venezuelan Gold District. Sandspring's geologic model suggests that the northern part of the large bending zone may contain a similar structural pattern as Toroparu and a favorable geological context for gold mineralization within the Otomung Concession area.

In 2015 Sandspring completed a 100-km² regional geochemical survey on the Otomung Concession, collecting 764 samples on a 1000m x 100m grid. Sandspring will follow up these results with an extension of the survey grid further to the northwest to explore for other intrusive structures, collecting an estimated 300 samples on a 1000m x 100m grid. In addition, the Company will infill survey lines and sampling in the previously explored area to develop new drill targets, collecting an estimated 700 samples on a 200m x 50m grid.

The technical information in this document has been reviewed and approved by Mr. Lucas W. Claessens, P.Geo. and Pascal Van Osta, P.Geo., both Senior Exploration Consultants for Sandspring, who have sufficient experience relevant to the style of mineralization under consideration and are Qualified Persons under National Instrument 43-101.

Reduced Exploration Concession Area

The Company has held mineral exploration concessions in the Upper Puruni River Area of northwestern Guyana, South America, covering an area of 242,691 acres (98,214 hectares) referred to as the "Upper Puruni Property", which hosts the Toroparu Deposit. The Company continuously reviews the composition of its mineral exploration concessions based on the results of exploration work. The results of exploration work to date, including drilling and surface exploration (primarily geochemical and airborne surveys), indicate that the Company should concentrate its land holdings along the Puruni Shear Zone, which runs northwest-southeast along the Puruni River and is believed to extend from the Toroparu Deposit into the Venezuelan Gold District. Accordingly, the Company has been restructuring its mineral exploration concessions to ensure that exploration work and resources are focused on the areas considered to be most prospective.

As an initial step in the land restructuring, the Company acquired rights in 2015 to the Otomung Concession. In June 2016, as a second step in the land restructuring, the Company surrendered 96,067 acres. Accordingly, as of June 30, 2016, the Upper Puruni Property covers a total of 154,696 acres (62,603 hectares). The Company will consider further land adjustments as additional exploration work is completed.

On behalf of the Board of Directors of Sandspring Resources

"Richard A. Munson"

Director and Chief Executive Officer

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 Guyana, South America. 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. Sandspring and Silver Wheaton have entered into a gold and silver purchase

agreement for the Toroparu Project. Sandspring intends to undertake additional exploration at the Toroparu Project in 2016. Additional information is available at www.sandspringresources.com or by email at info@sandspringresources.com.

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Quality Assurance / Quality Control

The drill program and sampling protocol is managed by Sandspring under the supervision of Lucas W. Claessens, P.Geo. and Pascal Van Osta, P.Geo. The diamond drill holes are drilled at HQ and NQ sizes and core recovery to date has averaged 94%. Half core is cut by rock saw and is generally sampled using 1.5 m meter intervals. Analytical testing and reporting of quantitative assays for the results reported in this press release was performed independently by Bureau Veritas Mineral Laboratories in Vancouver, Canada. Bureau Veritas Commodities Canada Ltd. is an ISO9001: 2008 accredited laboratory. Gold analyses reported in this release were performed by standard fire assay (FA450) using a 50 gram charge with atomic absorption finish and a gravimetric finish for assays greater than 10 grams per tonne. Samples from the geochemical survey were submitted for analysis of ICP 37 elements (including gold) AQ252 30 gram (Aqua Regia digestion - Ultratrace ICP-MS analyses). A system of blanks, standards and duplicates were added by the Company to the sample streams to verify accuracy and precision of assay results, supplementing a variety of internal QA/QC tests performed by Bureau Veritas Mineral Laboratories. The half core samples were securely transported by Sandspring personnel from the project site to the Bureau Veritas sample preparation facility in Georgetown, Guyana.

Forward-looking Statements

This news release contains certain forward-looking information and statements within the meaning of applicable securities laws. The use of any of the words “potential”, “suggesting”, “indicating”, “will”, “plans” 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: the speculative nature of mineral exploration and development; risks associated with the uncertainty of exploration results and estimates; results from drilling and exploration activities and Sandspring’s ability to identify additional gold mineralization; Sandspring’s ability to successfully advance the Toroparu Gold Project toward feasibility; Sandspring’s future plans; the availability of financing and/or cash flow to fund current and future plans and expenditures; the impact of increasing competition; fluctuating commodity prices; 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.

[Figure 1](#) – 2016 Drill Program for Sona Hill Prospect

[Figure 2](#) – 2016 Sona Hill Surface Exploration Program

[Figure 3](#) – Upper Puruni Geological Sketch