



TSX-V: SSP
OTCQX: SSPXF

Sandspring Resources Updates on Toroparu Studies, Wheaton Precious Metals Purchase Agreement and Chicharrón Drilling

February 26, 2019 – Denver, Colorado and Vancouver, British Columbia – Sandspring Resources Ltd. (TSX-V: SSP, OTCQX: SSPXF) (“Sandspring” or the “Company”) is pleased to announce the advancement of a Preliminary Economic Assessment (“PEA”) defining the re-scoping of its flagship Toroparu Project in Guyana, S.A. and the execution of an amendment to the Precious Metals Purchase Agreement with Wheaton Precious Metals International Ltd. (“Wheaton”) extending the due date for completion of a Final Feasibility study on the Toroparu Project to December 31, 2019.

The re-scoping study of the Toroparu Project, conducted by SRK Consulting (U.S.), Inc. (“SRK”), includes a revised operating plan that utilizes the additional resources identified in the updated Mineral Resource Estimate for the Toroparu Project (Press Release of September 26, 2018). This plan would commence operations with production of gold in doré bars (“Phase One”) instead of gold contained in copper concentrate as originally proposed in the May 2013 Prefeasibility Study prepared by SRK (www.sedar.com).¹ The revised plan provides the potential for a lower initial capex and the generation of sufficient free cash flow during Phase One to finance the expansion of the Project to full capacity and the construction of a run-of-river hydroelectric project² to provide low-cost power for the Project for the expanded operations.

Higher grade gold-only mineralization in the shallow portions of the Toroparu main pit, and the satellite deposits at the SE Zone and Sona Hill, would provide feed for the initial development of a Carbon-in-Leach circuit in Phase One. This initial production would be followed by expansion of production capacity to include a copper-gold-silver flotation concentrate circuit. The construction of the hydroelectric project would be timed to come on line at the completion of the expansion to provide lower power costs using a combination of hydro and on-site thermal power generation which can lead to a significant reduction of operational costs over the remaining life of the mine.

Sandspring and Wheaton are currently reviewing the re-scoping of the Project in accordance with the Precious Metals Purchase Agreement entered into in November of 2013 and amended in 2015. Wheaton and Sandspring have executed a letter agreement extending the due date for delivery of a final Feasibility Study for the Toroparu Project to allow Sandspring time to complete the PEA and move to final Feasibility Study work. The final feasibility study is now due on or before December 31, 2019.

“The re-scoping efforts have been a team effort and the work has taken a considerable amount of time due to the engineering and environmental due diligence necessary to incorporate the higher-grade gold resources at Sona Hill into the Toroparu Project. We want to be sure our plan to expand the project can be executed in an orderly manner without limiting our ability to process a high percentage of the Measured and Indicated resources identified in the Mineral Resource Estimate. Certainly 2019 will be a pivotal year for Sandspring and the Toroparu Project,” said Rich Munson, CEO.

¹ See NI 43-101 Technical Report, Prefeasibility Study, Toroparu Gold Project, Upper Puruni River Area, Guyana; Effective Date: May 8, 2013, Report Date: May 24, 2013 prepared by SRK Consulting (USA) (the “Prefeasibility Study”)

² See Press Release dated September 11, 2018

As announced in the Company's press release of December 19, 2018, a drilling program on its 100% owned Chicharrón silver-gold project located near Segovia, Antioquia, Colombia had been commenced to identify the structural controls of the mineralization in the area of the Guia Antigua mine. The program is being supervised by the Gran Colombia geologic staff from the Segovia operating office and the Company expects to announce initial results from the program shortly.

Cautionary Statement required by NI 43-101

According to the cautionary statement required by NI 43-101, it should be noted that a Preliminary Economic Assessment (PEA) is preliminary in nature, that it includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the preliminary economic assessment will be realized.

The basis for the PEA is a re-scoping of the Toroparu Project to include the Sona Hill satellite deposit, initial Carbon-in-Leach processing and later flotation processing capacity expansion. The PEA will replace the Prefeasibility Study (PFS) for the Toroparu Gold Project (NI 43-101 Technical Report) dated 24 May 2013, and the PEA will be the current Technical Report for the Project. The PEA documentation of mining production quantities will replace the 2013 PFS Statement of Mineral Reserves. The estimate of Mineral Resources will remain as previously stated in the Sandspring Press Release of September 26, 2018.

Qualified Persons Review

The technical information in this document has been reviewed and approved by Fernando Rodrigues **BSc, MBA, MAusIMM, MMSAQP**, Practice Leader, Principal Consultant, SRK Consulting (US), Inc., who has overseen the development of the re-scoping effort and Preliminary Economic Assessment work for the Toroparu Project and is a Qualified Person under National Instrument 43-101.

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

“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 feasibility study for the Toroparu Project in Guyana, South America with 7.4 million ounces of gold in the Measured and Indicated categories. 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, available on SEDAR (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 Wheaton (formerly known as Silver Wheaton) entered into a precious metals purchase agreement for the Toroparu Project in November of 2013. Sandspring also holds a 100% interest in the Chicharrón Gold Project located in the Segovia-Remedios mining district, Antioquia, Colombia. Additional information is available at www.sandspringresources.com or by email at info@sandspringresources.com.

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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; the ability of Sandspring to complete the Transaction; 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.