Sandspring Announces Preliminary Economic Assessment

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DENVER and VANCOUVER, June 04, 2019 - Sandspring Resources Ltd. (TSX Venture: SSP, OTCQX: SSPXF) (“Sandspring”, or the “Company”) is pleased to announce positive results from a Preliminary Economic Assessment (the “PEA” or “PEA Report”) of its Toroparu Gold Project in the Mazaruni-Cuyuni District of Guyana (the "Toroparu Project" or “Project”). The PEA Report is being prepared in accordance with National Instrument NI43-101 by SRK Consulting (US) Inc. ("SRK") and will be filed on SEDAR and the Company’s website within 45 days of the date hereof.

The Toroparu Project has been re-scoped to include the Sona Hill satellite deposit, modification of the Project’s processing strategy to start with gold-only production from a Carbon-in-Leach circuit (“CIL”) for the initial ten years, followed by an expansion of the Project in year 11 to add flotation processing capacity and the streaming agreement with Wheaton Precious Metals Corp. International.[1] This PEA Report summarizes the results of the re-scoping at base case metal prices of US[2] $1,300 gold (Au), $16.00 silver (Ag), $3.00 copper (Cu).

A PEA is preliminary in nature, 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 PEA documentation of mining production quantities will replace the 2013 Prefeasibility Study (the “2013 PFS”) Statement of Mineral Reserves[3]. The PEA is based on exploitation of measured, indicated and inferred mineral resources while the 2013 PFS is based on the exploitation of proven and probable mineral reserves. Inferred resources from the Mineral Resource Estimate comprise 5% of the resources used in the production schedule reported in the PEA. The conclusions and results of the PEA replace the conclusions and results from the 2013 PFS.

Key aspects and findings from this PEA study Include:

- 4.5 Million ozs Au production, with 3.64 Million ozs produced in Au doré bars, over 24-year Life of Mine (LoM) – up from 3.7 Million ozs from the 2013 PFS
  — 1.476 Million ozs (mozs) Au Doré over 10 Year Initial Phase
  — 2.148 Million ozs Au Doré and 876,000 ozs Au in concentrate produced at 217,000 ozs/year during 14 Year Second Phase
- $1.25 Billion After-Tax Free Cash Flow (with Wheaton PMPA)
  — $378 Million Pre-Production Capex – down from $501 Million in Prefeasibility
  — $272 Million Pre-production financing required with Wheaton PMPA
  — $232 Million Phase 2 expansion financed from internal cash flow
  — Payback Period 2.92 years
- Project Global Gold Resource: 7,353 Million ozs M&I; 3,150 Million ozs Inferred[4]

Project economic results from the PEA Base, with and without the Wheaton PMPA[5], Downside, and Upside Sensitivity Cases are presented in Table 1. The Project, with Wheaton’s participation, generates an 18.16% after tax IRR at a $1,250/oz Au price, 24.2% at $1,400/oz of Au, and 27.68% at $1,500/oz of Au, indicating that project returns are both robust at historic Au prices and positively leveraged to higher Au prices.

To view Table 1: Project Economics please visit:
https://www.globenewswire.com/NewsRoom/AttachmentNg/ba5bc371-a093-45b0-84bd-6e3e15a95119

Wheaton PMPA. Pursuant to the Wheaton PMPA, Wheaton and the Company agreed that the Company will

sell and Wheaton will buy 10% of the payable Au and 50% of the payable Ag (as those terms are defined in the Wheaton PMPA) from the production at the Toroparu Project. In consideration for such sale, Wheaton has agreed to pay certain upfront deposit amounts according to a schedule set out in the Wheaton PMPA as Project Costs, as defined in the Wheaton PMPA, are incurred for initial construction of the Project.

In the process of building the economic model for the PEA, the Company has estimated revised upfront payments from Wheaton. While the Company believes that the estimates are reasonable, it should be noted that Wheaton has not participated with Sandspring in the calculation of the estimates nor has Wheaton agreed with or approved of the revised estimated payments.

Doré Only Initial Phase. Under the PEA, during the initial 10 years of production (the “Initial Phase”), Au doré, with a Ag by-product, will be recovered from a CIL process instead of recovering Au and Cu from a Au bearing Cu concentrate as described in the 2013 PFS.

Gold Production Increase - Life of Mine.

During the Initial Phase, the re-scoped production schedule estimates an average production rate of 175,000 ozs of Au over the first five years and total production of 1.476 Million ozs of Au over ten years. Gold and by-product silver are produced from an 11.5 thousand tonnes per day (kt/d) (4.2 Million tonnes per year, mt/y) CIL process circuit fed with cumulative mill head grades that range from 1.67 g/t to 1.2 g/t Au during this Initial Phase.

An expansion phase (the “Expansion Phase”) begins in year eleven of production and averages 217,000 ozs Au per year through year 24, producing an additional 3.040 Million ozs of Au. Processing throughput is increased in the Expansion Phase to 23 kt/d (8.4 mt/y) with the addition of a parallel 11.5 kt/d flotation circuit. The PEA base case indicates that the cost of the Expansion Phase can be financed from internally generated cash flows.

The PEA estimates a life of mine (“LoM”) production of 4.5 Million ozs of Au, 4.46 million ozs payable Ag and 124.7 Million pounds of payable Cu as by-products.

Reduced Initial Capex. The PEA estimates pre-production capital expenditures of $378 Million. The pre-production capital expense is $123 Million less than the $501 Million estimated in the 2013 PFS.

AISC. All-In-Sustaining Costs (AISC) are estimated to be $812/ounce (oz) Au produced over the LoM in the PEA base case.

Project Payback. The Project payback is estimated at 2.92 years in the PEA base case.

The 2013 PFS. The base case for the economic parameters in the 2013 PFS were estimated using a Au price of $1,400. The estimated parameters of the Project from the 2013 PFS were as follows and are set out for ease of reference only:

PFS Economics at $1,400:

Parameter	PFS
After Tax Free Cash Flow	$1.25 B
NPV – 5% (after Tax)	$691 M
IRR (after Tax)	23.14%
Payback (years)	2.63
AISC	$ 817

Rich Munson, CEO, stated, “The re-scoping study shows the significant changes to the profile of the Toroparu Project that have occurred since the 2013 PFS was issued. With the reduction of pre-production Capex by more than $120.0 Million, the increase in total gold production and the Wheaton PMPA upfront deposit, the economics of the re-scoped Project compare favorably to those of the 2013 PFS even though it is modeled at a gold price that is $100 less per ounce than the 2103 PFS.”

Munson noted that under the PEA model, the Project has new project finance metrics. He stated: “The reduction of pre-production Capex becomes even more significant when coupled with the upfront deposit under the Wheaton PMPA. Based solely on our calculations which we believe are reasonable, the Wheaton contribution through the remaining upfront deposit to the pre-production Capex could be $106 Million.

This contribution of the remaining upfront deposit from Wheaton and the reduction in up-front Capex reduces Sandspring’s financing requirement from $501 Million under the 2013 PFS to $272 Million; a reduction of $229 Million or some 54%. Under the PEA base case, only the upfront Capex will require outside funding.

Exploration success at our Sona Hill satellite deposit provided the opportunity to re-focus the Project on gold doré which will provide a much simpler operational start-up compared to the dual processing stream of leach and flotation modeled in the 2013 PFS. With this re-scoped plan, all of the gold in the Initial Phase will be produced in doré bars instead of a mix of doré and gold-rich copper concentrates. Of the total LoM gold production, some 3.64 Million ozs will be produced in doré as opposed to 2.9 Million ozs in the 2013 PFS.”

Munson continued: “We are continuing to investigate the outsourcing of mining operations and thermal power generation and, if we are successful in those investigations and negotiations, our up-front Capex will be further reduced although, of course, we expect our operating expense to increase to some degree.”

Production Schedule

The PEA is based on processing 5.095 Million oz of Au at an average mill feed grade of 1.01 g/t Au from 156.35 Million tonnes (mt) of mineralized saprolite and fresh rock over a 24-year mine life.

The schedule is based on:

- Initial Phase (Years 1 to 10): processing 1.606 million oz Au at an average grade of 1.20 g/t Au from 41.5 mt of saprolite and fresh rock through a 11.5 kt/d (4.2 mt/y) CIL circuit; and
- Expansion Phase (Years 11 to 24): processing 3.489 Million oz Au at an average mill feed grade of 0.94 g/t Au from 114.9 mt of fresh rock through an 11.5 kt/d CIL + 11.5 kt/d flotation circuits.

Processing the following mineralized material:

- 299,000 oz Au contained in 10.0 mt of mineralized saprolite at an average grade of 0.93 g/t Au through the CIL circuit;
- 3.489 Million oz Au contained in 90.2 mt of mineralized fresh rock at an average grade of 1.20 g/t Au thru the CIL circuit; and
- 1.307 Million oz Au, 2.750 Million oz Ag, and 160,899 pounds of Cu contained in 56.1 mt of higher sulphide bearing fresh rock at an average grade of 0.73 g/t Au, 1.53 g/t Ag, and 0.13% Cu through the flotation circuit.

Recovery of 4.516 Million oz Au from the redesigned flowsheet, including:

- 3.64 Million oz Au doré bars at a 90.61% metallurgical recovery; and
- 876 Thousand oz Au in a copper-gold-silver concentrate at an 81.29% metallurgical recovery

Resulting in an overall Au metallurgical recovery of 88.64%.

Capital Costs

- The PEA estimates $378 Million of pre-production capital, $232 Million of expansion capital, $341 Million sustaining capital costs, $40.0 Million for the Kurupung Run-of-River Hydroelectric Plant (“KRHP”), and $26 Million closure costs (Table 2).

- Pre-production capital requirement is estimated at $378 Million with a project financing requirement of $272 Million (assuming an estimated upfront deposit payment of $106 Million under the Wheaton PMPA).
- Phase 2 expansion capital requirements of $232 Million are estimated for production Years 9 and 10, which include:

  — $52 Million for Mining Fleet Expansion
  — $116 Million for Process Plant Expansion (including Construction Indirects)
  — $29 Million for Infrastructure Expansion
  — $35 Million for Owners Cost + Risk & Contingencies.
- The PEA estimate for the Expansion Phase includes $40 Million of capital investment in the KRHP, an owner-operated 50 MW run-of-river hydroelectric facility currently at the Pre-Feasibility Stage of development under a Memorandum of Understanding (MOU) with the Government of Guyana for self-generated power. The PEA indicates that the cost of the KRHP can be financed from internally generated cash flows.
- Construction of the KRHP is scheduled over a 2.5-year period during production Years 7 to 9, with partial electricity production commencing in Year 9, and full production in Year 10.
- The PEA estimates $293 Million in operating cost savings for the Project from reduced power tariffs based on 79% availability of hydropower and 21% thermal power generation during the 14.5 years KRHP power is available for Phase 2 of the mine life (Years 9.5 to 24).

To view Table 2: Capital Cost Estimates[6] please visit:
https://www.globenewswire.com/NewsRoom/AttachmentNg/cdcc2b81-6a29-4e5c-860f-97d677cd99ca

The PEA estimate is based on a 100% owner-operated Project. Sandspring is in discussions with a number of mining and power generation contractors for contracts that defer a portion of the pre-production capital cost in exchange for 7 to 10-year operating agreements that will repay the capital from project operating cash flows. Additionally, estimated cost of new equipment supported by budget quotes from vendors do not reflect discounts for negotiated prices, bulk purchasing, or used equipment purchases where appropriate, any of which could lead to reductions in actual capital costs relative to the prices used in the PEA capital cost estimate.

Mining

The PEA mine plan provides for the excavation of 156.35 mt of processable mineralization, which is included in the Mineral Resource Estimate, and 495.159 mt of waste for a combined total of 651.5 mt of material at a LoM stripping ratio of 3.17:1.

Mining will be conducted with conventional open pit mining techniques over a 24-year mine life from three pits: Toroparu; SE Zone (1.2 km SE of Toroparu), and Sona Hill (4.9 km SE of Toroparu).

Mining operations are planned to commence during the second year of construction (production Year -1) at a rate of 8 mt/y, increasing to 20 mt/y by production Year 3, 32 mt/y by Year 10, and 42 mt/y by Year 15. Material containing higher sulphides will be stockpiled for feed into the flotation circuit beginning in Year 11. Re-handling stockpiled mineralized material will be accomplished with wheel-loaders and trucks. Production in Years 23 and 24 are planned to be from stockpile re-handling only.

Processing

Comprehensive metallurgical testwork programs were conducted on Toroparu / SE Zone saprolite and fresh rock gold-bearing material by Inspectorate Exploration & Mining Services Ltd. of Richmond, British Columbia (BC) (2012-2013); SGS Canada Inc. of Lakefield, Ontario (2009-2013); ALS of Kamloops, BC (2013), and FLSmidth Dawson Metallurgical Laboratory of Salt Lake City, Utah (2014). The Sona Hill saprolite and fresh rock testwork was performed by Base Metal Laboratories of Kamloops, BC (2019). Testwork included comminution, gravity concentration, flotation and cyanidation for metallurgical recovery, as well reagent

consumptions for the various rock types identified during previous engineering studies.

The processing circuit utilized in the PEA is a conventional CIL flowsheet combining a 3 kt/d) saprolite scrubbing circuit with an 8.5 kt/d 3-stage crush-ball mill circuit to produce -150-micron feed for the 11.5 kt/d CIL circuit. The scrubbed saprolite will be fed to the circuit after the milling. Gold is recovered from the loaded carbon using pressure Zadra with doré bars being the end-product. Tailings from the leach circuit will be thickened and detoxified using the Inco process prior to being sent to the Tailing Management Area (TMA).

The PEA further estimates the results for processing an additional 11.5 kt/d of mineralized fresh rock, which is included in the Mineral Resource Estimate, containing higher concentrations of sulfides through a copper flotation circuit starting in Year 11. The copper concentrate produced in the flotation circuit will be thickened, filtered and packaged for export in 20’ containers. The two parallel circuits will process mineralized fresh rock at a combined rate of 23 kt/d (Years 11 to 24).

Operating Costs

Operating costs summarized in Table 3 are based on an owner-operated scenario utilizing current costs for consumables, in-country labor rates for existing mining operations in Guyana, and expatriate rates estimated from similar international mining operations.

Table 3: Operating Cost Estimates[7]

PEA Cash Cost Estimates	LOM $ 000	LOM Average ($/t-milled)	LOM Average ($/oz. payable gold)
Mining Cost	$1,038	$6.42	$231
Processing Cost[1]	$1,001	$6.40	$223
Process Power	$757	$4.84	$169
Hydro Savings	-$293	-$1.88	-$65
Site G&A Cost	$276	$1.77	$62
Smelting, Refining, and Freight Charges	$76	$0.49	$17
Copper Credit	-$426	-$2.72	-$95
Cash Cost	$2,429	$15.53	$541
Indirects, Royalties	$458	$2.93	$102
Sustaining & Expansion Cost	$614	$3.93	$137
Corporate Overhead & Exploration	$144	$0.92	$32
AISC	$3,654	$23.31	$812

[1] Operating costs are based on power cost of $0.15/kWh generated using intermediate fuel oil (IFO 380) quoted by a multi-national oil marketing firm at $0.63/Liter and Diesel prices of $0.74/Liter delivered ex-tank Port Essequibo River, Guyana.

AISC assumes the increased power demand in the Expansion Phase will be supplied by the Kurupung River Hydroelectric Project from year 9.5 to year 24.

Infrastructure

The project design includes all on and off-site infrastructure installations and upgrades required to support a large mining and processing operation, including:

- Modification of an existing river wharf, port and laydown operation on the Essequibo River;
- 47 km access road construction;
- Construction of a new barge facility on the Cuyuni River;
- On-site access, service and haulage roads;
- Surface water management protections via levees, dams, diversion channels and collection ponds;
- Intermediate fuel oil (IFO) transport and depot facilities for the electric power generation facility;
- Entry station, operations man-camp, communications facility, potable water facility, and waste management facility;

- Mine dry and administration building, fuel depot, ready line, truck maintenance shop, warehouse facility and laydown area, and explosives storage facility;
- Plant administration and control room building, laboratory, light equipment maintenance and warehousing facility; and
- Tailings Management Area and Waste Rock Stockpile facilities.

Mineral Resources

The PEA production scenario is based on Measured, Indicated, and Inferred resources from the Updated Mineral Resource Estimate (MRE) published on September 26th, 2018 (Table 4). The PEA is based on an open pit mine inventory containing 5.095 Million ozs of gold, 5.97 Million ozs of silver, and 337 Million pounds of copper (a portion of the resources), which in contained gold terms (at a 0.30 g/t Au cut-off grade) represents 69% of the 7.353 Million ozs contained in the MRE Resource Pit Shell.

Table 4: September 26, 2018 Mineral Resource Estimate within Resource Pit Shell Cut-Off Grade 0.30 g/t Au

All Rock Types	Gold Resources			Silver & Copper Resources				
Measured & Indicated	Tonnes (000’s)	Au (g/t)	Au oz (000’s)	Tonnes (000’s)	Ag (g/t)	Ag oz (000’s)	Cu (%)	Cu (M lbs)
Toroparu	227,416	0.90	6,566	227,416	0.84	6,130	0.086	433
SE Zone	13,383	0.94	403	13,383	0.35	152	0.036	11
Sona Hill	11,772	1.04	394	0	n/a	n/a	n/a	n/a
Total Meas. & Indicated	252,571	0.91	7,353	240,799	0.81	6,282	0.084	444
Inferred								
Toroparu	116,629	0.74	2,776	116,629	0.07	266	0.040	103
SE Zone	686	0.83	18	686	0.45	10	0.049	1
Sona Hill	11,630	0.95	356	0	n/a	n/a	n/a	n/a
Total Inferred	128,945	0.76	3,150	117,315	0.07	276	0.040	104

Notes on Resource Estimate:

1. All resources in the September 26, 2018 mineral resource statement are in-pit resources reported within an optimized pit shell (Resource Pit Shell) above an economic cut-off grade of 0.30 g/t Au. The optimized pit shell was determined for Measured, Indicated and Inferred resources using a gold price of US$1,350/oz, a copper price of US$3.00/lb; an average metallurgical recovery of 88.2% for gold, and 81.5% for copper mill feed sent to the copper flotation circuit. The optimized pit shell was determined using an average mining cost of US$1.60/t mined, saprolite processing cost of US$2.50/t, CIL processing cost of US$8.50/t, flotation processing cost of US$10.47/t, and G&A cost of US$1.24/t processed. Other costs included US$125/oz Au for gold refining and royalties, and US$1.036/lb for copper concentrate transportation and smelting with 97% pay for terms. Pit slopes used in the pit optimization were 45°. Copper and Silver resources have not been estimated at Sona Hill.
2. Mineral Resources are reported in accordance with Canadian Securities Administrators (CSA) National Instrument 43-101 (NI 43-101) and have been estimated in conformity with generally accepted Canadian Institute of Mining, Metallurgy and Petroleum (CIM) "Estimation of Mineral Resource and Mineral Reserves Best Practices" guidelines;
3. Mineral resources are not mineral reserves and do not have demonstrated economic viability. There is no certainty that all or any part of the mineral resources estimated will be converted into mineral reserves estimate;
4. Mineral resource tonnage and contained metal have been rounded to reflect the accuracy of the estimate, and numbers may not add due to rounding;
5. While the estimate of mineral resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues, the Company is not aware of any such issues;
6. The quantity and grade of reported Inferred resources in this estimation are uncertain in nature and there has been insufficient exploration to define these Inferred resources as an Indicated or Measured mineral resource and it is uncertain if further exploration will result in upgrading them to an Indicated or Measured mineral resource category; and “(000)” = thousands, “g/t” = gram per metric tonne. Tonnes are rounded to the nearest one thousand tonnes, gold to nearest 1,000 oz Au, gold grade to nearest 0.01 g/t Au, and copper to nearest million pounds.

A sensitivity analysis of gold ozs, grades and mineralized tonnages contained in the resource estimate at various cut-off grades (within the Resource Pit Shell) above and below the 0.30 g/t gold cut-off grade were used to calculate the 2018 MRE, corresponding to a range of gold prices, are provided in Table 5. This shows the consistent nature of the grade-tonnage relationship over various gold price assumptions.

Table 5: Sep 26, 2018 Mineral Resource Estimate Sensitivity Analysis within Resource Pit Shell

Measured & Indicated				
Gold Price	Cut-Off Grade	Tonnes	Au	Au oz.
(US$/oz.-Au)	*(g/t All Rock Types)*	(000’s)	(g/t)	(000’s)
$1,507	0.25	272,430	0.86	7,529
$1,450	0.26	268,745	0.87	7,499
$1,397	0.27	264,866	0.88	7,466
$1,347	0.28	260,843	0.89	7,431
$1,300	0.29	256,698	0.90	7,393
$1,258	0.30	252,571	0.91	7,353
$1,218	0.31	248,572	0.92	7,314
$1,180	0.32	244,502	0.93	7,273
$1,145	0.33	240,379	0.94	7,230
$1,112	0.34	236,396	0.95	7,186
$1,080	0.35	232,181	0.96	7,140

The resources were modeled and estimated by evaluating the drill data statistically and utilizing a 3-D mineralized grade shell to constrain the estimate. Gold grades were estimated by kriging into a block model with 10-meter (width) x 10-meter (length) x 5-meter (height) blocks that were constrained to mineral domains using Datamine Studio3 mining software. The person responsible for the resource estimate on behalf of SRK Consulting (US) Inc. was Frank Daviess, Registered Member SME, a Qualified Person as defined by National Instrument 43-101. Further details of the estimation procedure will be available in an updated NI 43-101 report, which will be posted on SEDAR www.sedar.com , no later than 45 days from the date of this release.

Permitting and Licensing

In May 2012, Sandspring achieved a major milestone by obtaining its permit from the Guyana Environmental Protection Agency (EPA) to construct and operate a mine at the Toroparu Project site. The EPA permit was renewed in 2017. Under the terms of the Company’s 2011 Mineral Agreement with the Government of Guyana (the “GoG”), the GoG has agreed to grant a large-scale mining license authorizing Sandspring to commence construction and production once the economic feasibility of the Project has been demonstrated.

Recommendations

The addition of the Sona Hill resources to the Toroparu Project has facilitated the re-scoping of the Project with reduced initial capital costs and improved economics. The next stage of development for the Project will be to complete a Feasibility Study, as recommended by SRK.

The technical report, titled “NI 43-101 Technical Report, Toroparu Gold Project, Upper Puruni River Area, Guyana” will be filed on SEDAR within 45 days of the date of this press release.

The scientific and technical data contained in this news release pertaining to the Project has been reviewed and approved by the following Qualified Persons under NI 43-101 who consent to the inclusion of their names in this release: Allan Moran, RG, CPG (Geology - SRK), Frank Daviess, Registered Member SME (Resource Estimation - SRK); Fernando Rodrigues, MMSAQP (Mining/Reserves Estimation - SRK); Peter Clarke, P.Eng., British Columbia (Mining Costing - SRK); Brian Olson, P.Eng. New Brunswick (Metallurgical Process Design - SRK); Jeff Osborn, MMSAQP (On-site Infrastructure - SRK); José Sánchez Marrou, P.Eng (Water Management – KCB); each of whom is independent of the Company.

About Sandspring
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 Consulting (U.S.), Inc., 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 Precious Metals Corp. (formerly known as Silver Wheaton) entered into a precious metals purchase agreement for the Toroparu Project in November of 2103. 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.

Visit Sandspring’s website at www.sandspringresources.com.

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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.

This press release includes certain forward-looking statements concerning future performance and operations of the Company, including the expected positive results from the Toroparu Project based on the estimates and findings contained in the PEA, as summarized herein, 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 are inherently uncertain and subject to a variety of assumptions, risks and uncertainties, including the speculative nature of mineral exploration and development, fluctuating commodity prices, changes in project parameters as plans continue to be refined, uncertainties of project cost overruns or unanticipated costs and expenses, uncertainties inherent in conducting operations in a foreign country, uncertainties related to the availability and costs of financing needed in the future, the risk that the conclusion of pre-production studies may not be accurate, the Company's successful advancement of the Toroparu Project toward feasibility and obtaining positive results from ongoing evaluation and testing of multiple gold targets located elsewhere in the Company's landholdings, among other risks as described in our public filings available at 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.

1 The Company and Wheaton Precious Metals Corp. International Ltd. (“Wheaton”) entered into an Agreement (“Wheaton PMPA”) in 2013 which was amended in 2015. The Wheaton PMPA is available on http://www.sedar.com and www.sandspringresources.com.

2 All references to $ or dollars means United States Dollars.

3 A prefeasibility study was completed in May 2013 (NI 43-101 Technical Report, Prefeasibility Study, Toroparu Gold Project, Upper Puruni River Area, Guyana, dated May 24, 2013 by SRK Consulting (U.S.), Inc., and is available on SEDAR (www.sedar.com).

4 The Company press released an updated Mineral Resource Estimate on September 26, 2018. The Press Release can be found at www.sandspingresources.com and www.sedar.com.

5 Wheaton and the Company have agreed to extend the due date for delivery of the final feasibility report in prior years and the final feasibility report is now due on or before December 31, 2019. Wheaton can elect, in its sole discretion, to proceed or terminate the PMPA after Sandspring has delivered the final feasibility report to Wheaton. Accordingly, to reflect the potential of Wheaton electing not to proceed, the economic parameters of the model’s base case without the Wheaton PMPA are set forth in Table 1.

6 Capital costs are rounded to the nearest million US dollars.

7 Operating Costs are rounded to the nearest $0.10 / metric ton or $1/per troy ounce of gold.

Source: Sandspring Resources Ltd.