BRIDGEWATER, NOVA SCOTIA--(Marketwired - Jun 22, 2017) - Silver Spruce Resources Inc. (TSX VENTURE:SSE)(FRANKFURT:S6Q) ("Silver Spruce" or the "Company") is pleased to announce it has secured a loan for the remaining cash component of the Purchase Agreement with Cedar Forest LLC (the "Vendor") for the Kay Mine parcel of 70.84 acres of patented claims near Black Canyon City, Arizona, USA.

The twelve-month, U$450,000 Loan was arranged by Leede Jones Gable Inc. and carries a twelve percent coupon rate. The Company will also pay 1,735,779 fully paid bonus shares to the lender and a commission of 500,000 shares to Leede Jones Gable Inc.

"The provision of this loan will enable Silver Spruce to complete our purchase of 100% of the Kay Mine parcel of patented ground, royalty free. In combination with the 400 acres of unpatented claims filed by the Company, we will control all of the known areas of mineralization at the project that have been identified over the last 120+ years by companies such as the Kay Copper Company, Exxon Minerals, Rayrock (acquired by Glamis) and American Copper and Nickel (a subsidiary of INCO, now Vale)," stated Dr. Brian Penney, Chairman of Silver Spruce Resources Inc.

Terms of Purchase

The original asking price for the 70.84 acre parcel of patented ground was U$977,000. Upon execution of the Purchase Agreement to acquire 100% interest in the patented claims, free of any royalties, Silver Spruce paid a non-refundable deposit of US $50,000 to the Vendor.

The Company will pay US $450,000 cash to the Vendor on closing, which is estimated to occur on or about June 28, 2017.

In lieu of the second cash payment of U$477,000 and its associated Convertible Debenture, the Vendor has decided to accept the face amount in shares of the Company at a deemed price of CAD $0.075 per common share. Therefore, the Company will issue 8,649,142 shares to the Vendor at closing.

This acquisition is subject to Exchange acceptance.

The Kay Mine Project

The Kay Copper Company and others produced Au-Ag-Cu-Pb-Zn ore on the property intermittently from 1916 until 1956. Exploration conducted from 1972 to 1982 by Exxon Minerals Company, a subsidiary of Exxon Petroleum, indicates that substantial additional mineralization exists down dip and potentially along strike from the previously producing mineral deposits. A two-page Executive Summary of the Kay Mine Project is available here: http://www.silverspruceresources.com/s/KayMine.asp.

Known mineralization occurs in two zones of massive sulfide, the North and South Zones, extending from the surface to at least 2100 feet in depth. Mineralization is open at depth. A November 1982 internal Exxon Minerals Company report by M. L. Fellows stated that the deposit contains a resource of "Proven and Probable ore" with a tonnage of 6.4 million short tons grading an estimated 2.2% copper, 3.03% zinc, 1.6 ounces per ton (50 g/t) silver and 0.082 ounces per ton (2.55 g/t) gold. The estimate was made using assay data from historic mine level plans and Exxon drill hole intercepts.

Exxon's use of the word "ore" is not to be construed in the strict sense. After examining mine assay level plans and Exxon drill hole data, Silver Spruce has concluded that "Indicated Mineral Resource" is the appropriate term for Exxon's historical estimate. Additional drilling is needed to verify this estimate. The Qualified Person for Silver Spruce has not conducted sufficient work to definitively classify Exxon's resource estimate to be compliant with NI-43-101 resource definitions. The issuer is not treating the historical estimate as current mineral resources or mineral reserves. Exxon also reported the deposits to be open down dip, with significant additional potential for the discovery of new deposits.

Qualified Person

Mr. Leonard J. Karr, professional geologist and the Company's independent Qualified Person is responsible for the technical content of this press release within the meaning of National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101"), under TSX guidelines.

About Silver Spruce Resources Inc.

Silver Spruce Resources Inc. is a well-positioned Canadian junior exploration company pursuing acquisition and development of the past producing Kay Mine volcanogenic massive sulfide ("VMS") project in Arizona, USA, and the development of the Pino De Plata and the Encino De Oro epithermal silver/ base metal/ gold projects located in the prolific Sierra Madre Occidental region of western Chihuahua State in Mexico.

Neither 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. The company seeks Safe Harbour.

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