

Sandspring Resources Raises \$10.25 Million and Completes Acquisition of Silver-Gold Project in the Segovia-Remedios Mining District of Antioquia, Colombia

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DENVER and VANCOUVER, British Columbia, July 26, 2018 -- [Sandspring Resources Ltd.](#) (TSX-V:SSP) (OTCQX:SSPXF) (the "Company") is pleased to announce completion of the acquisition (the "Transaction") of the rights to a 386-hectare land package located in the Segovia-Remedios mining district of Antioquia, Colombia (the "Chicharron Project"), which includes the historic silver-gold producing Guia Antigua Mine.

The Chicharron Project was previously held through an unincorporated joint venture arrangement between Industrias Argentum SAS, a Colombian company, and a Colombian branch office of a subsidiary of [Gran Colombia Gold Corp.](#) (TSX: GCM) ("Gran Colombia"). The Company has acquired control of one-hundred percent (100%) of the Chicharron Project in consideration for the issuance of 36,000,000 common shares, a cash payment of US\$1,000,000, and the reimbursement of certain expenses. All securities issued in connection with the Transaction are subject to a four-month-and-one-day statutory hold period.

Board Nominations

In connection with completion of the Transaction, each of Gran Colombia and AAVN Consulting Corporation ("AAVN Consulting") have received the right to nominate one director to the board of the Company. These rights are ongoing provided that Gran Colombia and AAVN Consulting maintain certain ownership interests in the Company. Gran Colombia has initially nominated Lombardo Paredes Arenas, and AAVN Consulting has nominated Federico Restrepo-Solano, both of whom have been appointed to the board of directors effective immediately.

Federico Restrepo-Solano is a Colombian business executive with more than 27 years of experience in the mining, oil and infrastructure industries. Currently he is a Partner and Corporate Director of Qvartz Capital Partners, a strategic advisory firm, and has served as Senior Vice-President of Corporate Affairs with Frontera Energy and its predecessor, Pacific Exploration and Production, President of Promotora del Puerto Integrado-Propuerto S.A., President of the National Federation of Coal Producers (Fenalcarbón), Corporate Affairs Manager for Coalcorp Mining Inc., and Special Advisor on Environmental and Port Affairs for the City of Santa Marta. Mr. Restrepo holds a degree in Social Communications Sciences from Universidad Jorge Tadeo Lozano in Bogota, and a Diploma in Corporate Finance from Universidad del Rosario.

Lombardo Paredes-Arenas serves as Chief Executive Officer of Gran Colombia, and brings over 20 years of corporate leadership and operations management experience in the resource sector in Latin America. Before becoming an independent consultant on energy and environmental project development, Mr. Paredes held several roles with within Petroleos de Venezuela (PDVSA). He was responsible for regional planning of investments and social development for Eastern Venezuela, and was Managing Director and a Board Member of Maraven S.A. (an affiliate of PDVSA), with responsibility for the construction and commissioning of the Cardon Refinery Conversion Project in Venezuela, a US\$2.6 billion project. He was also General Manager of its Production Operations Division, with 5,000 employees and oil production of 800,000 barrels per day. Mr. Paredes holds Bachelor of Science in Mechanical Engineering and Master of Economic Analysis and Financial Economics degrees.

Private Placement

The Company also announces that it has completed an oversubscribed private placement of 41,000,000

units (each, a "Unit") at a price Cdn\$0.25 per Unit, for gross proceeds of Cdn\$10,250,000. Each "Unit" consists of one common shares and one share purchase warrant entitling the holder to purchase one additional share at Cdn\$0.40 for a period of sixty (60) months. The placement was oversubscribed by 5,000,000 Units following strong investor interest, and included a subscription from Gran Colombia for 16,000,000 Units.

All securities issued in connection with the private placement are subject to a four-month-and-one-day statutory hold period. In connection with completion of the placement, the Company paid cash commissions of Cdn\$140,950 to certain eligible parties who introduced subscribers.

The Company intends to use the proceeds of the placement to develop and advance an exploration program for the Chicharron Project, to complete the final feasibility study for both the Toroparu Gold Project and the run-of-river hydroelectric project on the Kurupung River approximately 50 kilometres southwest of Toroparu, for local partner and land rental payments at Toroparu, and for general corporate and working capital purposes.

Richard Munson, President and Chief Executive Officer of the Company, commented, "We are very pleased to have closed the acquisition of the Chicharron Project and are excited to begin our initial exploration work and simultaneously evaluate the opportunities for resuming mining activity at the Guia Antigua Mine. We are also moving immediately to seek the assistance of the Gran Colombia team in reviewing the development plans for Toroparu, our flagship property in Guyana. The experience of Serafino Iacono, Executive Co-Chairman of Gran Colombia, and his team in developing and operating the Choco Mine in the Guiana Shield will be invaluable to the Company.

The addition of Mr. Lombardo Paredes Arenas and Mr. Federico Restrepo-Solano to our Board will provide immediate guidance and expertise for our operations in Colombia. The addition of these gentlemen continues our practice of seeking assistance and guidance from experienced and successful businessmen in our countries of operation as Mr. Suresh Beharry, a Guyanese businessman, also continues on our Board of Directors.

We were also very pleased in these very challenging times for the commodities market to have the support shown by both our existing shareholders, led again by Mr. Frank Giustra, and new shareholders, including of course Gran Colombia, in providing the support to allow us to close the oversubscribed financing."

Serafino Iacono, Executive Co-Chairman of Gran Colombia, commented, "We are pleased to have closed this investment in Sandspring. From our previous experience in the Guiana Shield and the work we have completed in our due diligence process, we see opportunity in their Toroparu Project and we look forward to assisting management in taking this project to the next level."

Early Warning

In connection with completion of the Transaction, Gran Colombia received 15,000,000 common shares of the Company in consideration for their interest in the Chicharron Project. Gran Colombia acquired a further 16,000,000 Units of the Company in connection with the private placement. Following completion of the Transaction and the private placement, Gran Colombia has control and direction over an aggregate of 31,000,000 common shares and 16,000,000 share purchase warrants. The common shares controlled by Gran Colombia represent approximately 14.78% of the outstanding common shares of the Company. Assuming exercise of just the warrants controlled by Gran Colombia, when combined with their existing ownership, they would have control and direction over 47,000,000 common shares representing approximately 20.83% of the then outstanding common shares of the Company.

Gran Colombia has acquired the securities of the Company for investment purposes and has no present intention to acquire further securities of the Company, although may in the future acquire or dispose of securities of the Company, through the market, privately or otherwise, as circumstances or market conditions warrant.

In connection with the private placement, Frank Giustra subscribed for and acquired 2,326,000 Units. However, as a result of the issuance of securities by the Company to complete the Transaction and the

private placement, Mr. Giustra's percentage ownership of the Company's common shares has decreased by 3.35%. Following completion of the Transaction and the private placement, Mr. Giustra has control and direction over an aggregate of 18,427,500 common shares, 400,000 incentive stock options and 10,276,000 share purchase warrants. The common shares controlled by Mr. Giustra represent approximately 8.79% of the outstanding common shares of the Company. Assuming the exercise of just the stock options and warrants controlled by Mr. Giustra, when combined with his existing ownership, he would have control and direction over 29,103,000 common shares representing approximately 13.21% of the then outstanding common shares of the Company.

All securities of the Company controlled by Mr. Giustra are held for investment purposes. In the future, Mr. Giustra and his affiliates, may acquire or dispose of securities of the Company through the market, privately or otherwise, as circumstances or market conditions may warrant.

Copies of the early warning reports filed by Gran Colombia and Mr. Giustra in connection with completion of the Transaction and the private placement are available under the Company's profile on SEDAR (www.sedar.com).

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.](http://www.sandspringresources.com) is a Canadian junior mining company currently moving toward a feasibility study for the multi-million-ounce Toroparu Project in 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 (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 (formerly known as Silver Wheaton) entered into a gold and silver purchase agreement for the Toroparu Project. 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; 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.

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