Silver Spruce Completes Melchett Lake Due Diligence Field Program

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BRIDGEWATER, October 31, 2019 - Silver Spruce Resources Inc. (TSXV:SSE)(Frankfort:S6Q1) ("Silver Spruce" or the "Company") is pleased to announce the completion of its field due diligence program on the Melchett Lake Zn-Au-Ag volcanogenic massive sulphide ("VMS") project, an advanced precious and base metal project in the Thunder Bay Mining District, northern Ontario, Canada. Mobilization to the Property by air from Nakina was conducted on October 3rd, 2019 for a seven-day field program focusing on the known targets with drill core and surface exposures.

"We are very pleased to report on management site visits to provide oversight on targeted exploration and data verification on the Melchett Lake VMS-Au Property which will support a pending decision to earn a 100% interest in the project," stated Karl Boltz, CEO of Silver Spruce.

"We continue to advance our due diligence pending multi-element geochemical results from rock and core samples, while building our Leapfrog GIS database with recently revised drill hole co-ordinates and all available drilling, geophysical and geological information to identify additional VMS sulphide mineral responses and alteration vectors leading to drill target identification," stated Greg Davison, Director of Silver Spruce. "Ontario Ministry of Energy, Northern Development and Mines work permits currently are in place for our follow-up exploration program including geological sampling, trenching and diamond drilling."

Letter of Intent

Silver Spruce Resources Inc. signed a binding Letter of Intent ("LOI") to acquire 100% of the Melchett Lake Zn-Au-Ag volcanogenic massive sulphide ("VMS") project, Thunder Bay Mining District, northern Ontario, Canada. The LOI was executed on September 9th, 2019. Silver Spruce has a 90-day window after signing the LOI to carry out its due diligence and prepare a Definitive Agreement ("DA").

Due Diligence and Exploration

The current work was performed to update and verify the multi-kilometre strike length of the known areas of mineralization, broad intervals of mineralization, intense alteration profile similar to well-known polymetallic deposits, and presence of high-grade values of both precious metals and base metals reported from the historical exploration.

Field work for the due diligence program focused on geological sampling and data verification on known occurrences, GPS location surveys of the historical drill collars to update the 2D and 3D Leapfrog model, and preservation and sampling of the diamond drill core stored on the Property.

The team examined the principal showings and trenches, and drill core at the Relf and Nakina targets separated by 5km along the principal mineralized trend. Limited ground truthing of geochemical and geophysical targets was conducted over areas peripheral to the known mineralization.

The Property was accessed via float equipped aircraft from Nakina to fly camps on both Relf Lake and Kapikotongwa Lake, the latter west of Melchett Lake, and by helicopter to camp sites and target areas from Nakina Airport.

The team spent four days at the Relf Lake showings and three days at the Nakina showings. Silver Spruce Director, Greg Davison, who worked the Melchett Lake area for Kerr Addison Mines and Tribute Minerals, respectively, led the management visit to the Property. Consulting Geologist Luc Lepage, MSc, PGeo, was

the manager of the on-site activities for the field program. Mr. Lepage has extensive international experience including field work at the nearby Marshall Lake VMS project.

Drill core from the Stratabound Minerals program of two holes in 2007 and 2008 was stacked at the Relf Lake collar sites whereas Kerr Addison core from the 1983-1987 programs were stored in racks near the Kapikotongwa Lake ("Kap") camp location, two kilometres west of the Nakina showings. The former core was well preserved, and all of the remaining core was laid out and reviewed before cross-stacking, and 10cm whole core samples were collected for metal and alteration geochemistry. The altered and mineralized intervals previously were sampled in select sections using whole core (20% of 1metre intervals per 8metres, additional intervals in well mineralized core) and the abundant gap intervals were marked. The collars for the Relf area holes and the main trench zone were re-located using GPS.

The core at Kap-Nakina included Kerr Addison holes from both the Nakina and Relf targets. The core racks were in very poor condition and only a small proportion of the core was readily accessible for sampling as labels and core integrity were limited. Samples for geochemistry were selected only where hole identification was verified. The collars for the Nakina area holes, which exhibited significant variance from the assessment literature, and the trench zones, were re-located using GPS.

Rock sampling was carried out at both the Nakina and Relf targets at known trench locations. The Nakina targets are characterized by high silica-pyrite and a well foliated micaceous fabric. The Relf trenches are intensely altered and well oxidized on surface with extensive gossans with very friable to siliceous quartz-sericite schists, pervasive discoloration by iron and massive to spongy ferroan "blackjack" sphalerite in thin stringers to sphalerite-pyrite lenses of several centimetres, over an exposure of more than forty by twenty metres. The schists exhibited finely disseminated pyrite within granular quartz-sericite with pinch swell textures and steep dips along an east-west fabric. Lineations, from limited measurements, in the area are steeply dipping and appear orthogonal to the principal oblate alignment of the mineralization.

A total of seventy-two (72) rock and core samples were collected, sixty of which were submitted for multi-element geochemical analysis and the results are pending.

Maps and site photographs of the core and trench areas are available on the Silver Spruce website at Melchett Maps and Melchett Photos, and the geological and GIS compilations will be reported and posted on the Company website in due course.

An update to the NI 43-101 technical reporting initiated by an independent Qualified Person ("QP") is planned during Q1 2020 upon acquisition of the detailed airborne and downhole geophysical survey data, structural geology analysis, receipt of the due diligence assays, interpretation of the geochemical vectors and development of the 2020 program proposals.

Project Background

The Property, located within Melchett Lake greenstone belt of the English River Sub-province of the Archean-age Superior Province, is underlain by a bimodal mafic-felsic sequence of pyroclastics, tuffs and flows with cherts and Fe-lean to Fe-rich iron formation. Several occurrences of polymetallic Zn-Pb-Cu-Ag-Au VMS style mineralization are similar in character to ore deposits exploited at Mattabi, Winston Lake, Geco, Brunswick, Rouyn-Noranda and Uchi Lake. There are locally high-grade lenses of Zn & Ag with variable Cu, Au and Pb, and historical gold grades to 28.8g/t Au, silver grades to 560g/t Ag and zinc grades to 19.1%.

Highlights of the prospective geology, alteration and mineralization include multiple folded or stacked horizons of coincident alteration and metal mineralization, high Zn/Cu, Zn/Pb and Ag/Au ratios, extensive remobilization of major and trace elements with defined enrichment (Fe, Mg, Co, Cr, Cd) and depletion (Na, Sr, Ca) zones, and continuity, increased alteration and anomalous metal values over large intervals (up to 245 metres in DDH SB-07-01 from 345-590metres) with a strong electromagnetic (BHTEM) 20 channel off-hole response.

Selected grab samples taken from the Relf Zone by Shawmin averaged 13.0% zinc (Zn), 1.2% lead (Pb), 0.26% copper (Cu) and 325g/t silver (Ag); best results received were 19.1% Zn, 2.2% Pb, 0.40% Cu, 565g/t Ag and 1.72g/t gold (Au). A selection of Relf Zone samples collected in 1984 by Kerr Addison geologist and

current Silver Spruce director G. Davison is shown below.

Sample No.	Zinc %	Lead %	Copper %	Silver g/t
1061	12.90	1.920	0.288	552
1064	11.60	0.866	0.507	278
1065	16.80	2.400	0.075	655
1066	8.26	0.330	0.972	170
1067	11.10	1.300	0.142	394

At the Nakina l Zone, Nakina Mines reported, in separate samples, 14.85% Zn and 28.8g/t Au from a pyritized felsic volcanic unit. Rock sampling of a pyritized felsic volcanic unit in the Nakina 2 Zone by Kerr Addison returned a value of 15.08g/t Au.

Gold mineralization in the Iron Lake area, which was not examined during the current due diligence program, is traced for at least 600metres within a sheared, sericite-silica altered felsic metavolcanic and contains 3-8% pyrite, with lesser chalcopyrite and sphalerite. Grab samples reported 7.7g/t Au, 13.05g/t Au and 13.48g/t Au.

All of the above metal values were reported by past operators in the Melchett Lake area, from grab samples which may not be representative of the metal grades, and are historical in nature.

Exploration History

Base metals were first reported in 1959 by Kerr-Lund and Little Long Lac Gold Mines in the Kerr-Lund (Relf) Zone. Between 1964 and 1997, the area was held by Shawmin, Nakina Mines, Chimo Gold Mines, Falconbridge, Cominco, Kerr Addison Mines, Minnova, Inmet and Redbird. Tribute staked a large claim group in 1999 and during 2002 completed a 217 line-kilometre DIGHEM^{v} airborne magnetic and electromagnetic geophysical survey using a 100metre separation. Stratabound Minerals, during 2007 and 2008, completed two drill holes and downhole geophysics with Maxwell modelling. The property was staked by the current Vendors in 2017.

In addition, Fugro carried out a regional airborne magnetic gradiometer survey for the Ontario Geological Survey from 2009-2010 which comprised over 75,000 line-kilometres of data acquisition, flown in a north-to-south direction with 200 metre flight line spacing and with full coverage over the Property and the Melchett Lake greenstone belt.

Geochemical Analysis, Quality Assurance and Quality Control

Samples were collected by the Company's QPs, packaged in plastic bags with Tyvek tags and shipped by contract air services to Nakina and, using the QPs' private vehicles, delivered directly to the ALS Global sample preparation facilities in Thunder Bay, Ontario.

Photographs of the individual rock and core samples were collected from each sample prior to shipment. Several select rock samples from the Nakina and Relf trenches were split as required, with a representative portion bagged and sealed in packages by the QPs for analysis. These rock samples selected for display and investor meetings were photographed at the offices of the QP, and all images will be made available on the Company web site in due course.

Samples were weighed on receipt (WEI-21) and logged into the global tracking system (LOG-22). The samples were crushed to 70% passing 2mm (PREP-31) and a split of up to 250 grams was pulverized to

85% passing 75 micrometres (-200 mesh).

The sample pulps were transferred internally to ALS Global's North Vancouver analytical facility for analysis. ALS Global in North Vancouver, British Columbia, Canada, is a facility certified as ISO 9001:2008 and accredited to ISO/IEC 17025:2005 from the Standards Council of Canada.

Twenty-four pulps (25gram split) were then submitted for analysis by Aqua Regia Digestion followed by Inductively Coupled Plasma Mass Spectrometry (ICP-MS) multi-element analyses (ALS Code AuME-TL43, 51 elements).

Thirty-six pulps were submitted for whole rock oxide, metals and multi-element analysis by lithium borate fusion and acid digestion followed by Inductively-Coupled Plasma-Atomic Emission Spectrometry (ICP-*AES*) (ALS Code ME-ICP06, 13 elements), Loss on Ignition (LOI) at 1000C by furnace or TGA, Inductively Coupled Plasma Mass Spectrometry (ICP-MS) on the same fused bead after acid digestion (ALS Code ME-MS81d, 30 elements), and measured by Inductively-Coupled Plasma-Atomic Emission Spectrometry (ICP-*AES*) after a near-total digestion in a mixture of HCl, HNO_3, $HClO_4$, and HF (ALS Code ME-4ACD81, 12 elements).

All precious and base metal analyses that reach the over-limits of AuME-TL43, ME-MS81d or ME-4ACD81 will be re-analyzed with an Ore Grade method. Over-limit Cu (>1%), Pb (>1%), Zn (>1%) and Ag (>100ppm) samples are analyzed by Ore Grade 4 Acid Digestion followed by Ore Grade Inductively Coupled Plasma Atomic Emission Spectrometry (ICP-AES) for Pb (ALS Code Pb-OG62) and Ag (ALS Code Ag-OG62), and by Atomic Absorption Spectroscopy (AAS) for Cu (ALS Code Cu-AA62) and Zn (ALS Code Zn-AA62). Gold will be analyzed using 30gram fire assay with Atomic Absorption Spectroscopy (ALS Code Au-AA23). Over-limit Au (>10ppm) will be conducted by 30gram fire assay with Gravimetric finish (ALS Code Au-GRA21).

No independent or in-house quality control samples (blanks, standards, duplicates) were inserted into the sample sets. ALS Global conducts its own internal QA/QC program of blanks, standards and duplicates, and the results are provided with the Company sample certificates. The results of the ALS control samples will be reviewed by the Company's QP and evaluated for acceptable tolerances. All sample and pulp rejects will be stored at ALS Global pending full review of the analytical data, and future selection of pulps for independent third-party check analyses, as requisite.

Qualified Person

Greg Davison, MSc, PGeo and Silver Spruce Director, is the Company's internal Qualified Person (QP) for the Melchett Lake Project and 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. Mr. Davison worked the Melchett Lake area as Project manager and VP Exploration for Kerr Addison Mines (1983 and 1984) and Tribute Minerals (1999 to 2002), respectively. Consulting geologist Luc LePage, MSc, PGeo was the manager of the on-site activities for the field program and is a QP 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 Canadian junior exploration company pursuing development of the Pino De Plata project in western Chihuahua State, Mexico. The Company has signed a binding Letter of Intent to acquire 100% of the Melchett Lake Zn-Au-Ag project in northern Ontario, Canada and a binding Letter of Agreement to acquire 100% of the advanced Cocula gold project in Jalisco State, Mexico. Silver Spruce Resources Inc. continues to investigate opportunities that Management has identified or that have been presented to the Company for consideration.

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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