

Sparton Resources Announces Acquisition of 100% of Bruell Property in Quebec and One Year Extension to the Eldorado Option Agreement

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TORONTO, Oct. 26, 2022 - [Sparton Resources Inc.](#) (the "Company") ("SRI"-TSX-V) is pleased to report that it has completed the earn-in and exercised its option to acquire 100% of the 51-claim Bruell Property in Vauquelin Township, Quebec (the "Bruell Property").

It did so by issuing a total of 1.5 million common shares of the Company, making \$300,000 in cash payments to the vendors, and incurring \$1.5 million in exploration expenditures on the claims pursuant to an option agreement entered into in August of 2017. The Bruell Property remains subject to a 2% Net Smelter Royalty to the original vendors, subject to a buy-out of 50% of the royalty (1%) for a cash payment of \$1 million.

In December of 2019, the Company agreed to sub-option the Bruell Property to [Eldorado Gold Corp.](#) ("Eldorado") for three (3) years, whereby Eldorado was to make the remaining cash payments to the underlying vendors on behalf of the Company and fund the exploration expenditures (the "Eldorado Option") committed by the Company to the original vendors. Eldorado has successfully completed its option commitments but has not yet exercised its option. The completion of the required work and payments to the vendors by Eldorado has enabled the Company to complete acquisition of the Bruell Property, as mentioned above.

Eldorado has requested, and Sparton has agreed to a one-year extension on the Eldorado Option Agreement. In consideration for the extension, Eldorado has agreed to carry out a minimum of 4,000 metres of additional drilling as a new option commitment. The additional drilling will test several geochemical (till) anomalies, as well as follow-up holes on positive results from the recently completed 2022 drilling program. All other material terms of the Eldorado Option Agreement remain unchanged.

Under the terms of the Eldorado Option, Eldorado has the right to require Sparton to participate in a new joint-venture in which Sparton will hold a 25% interest, or buy-out Sparton's 25% interest for \$1.8 million adjusted for the Consumer Price Index at the time Eldorado makes the election, in which case Sparton will be granted a 2% Net Smelter Return Production Royalty ("NSR"), and 50% of the NSR can be purchased by Eldorado for \$2.5 million at any time. Eldorado would also be responsible for the royalty payable to the original vendors under the buy-out option if it elects the buy-out.

In 2022, Eldorado completed 11 diamond drill holes totaling 4,745 metres. Complete assays from the Eldorado drilling program are still pending and will be released when available.

Company President, Lee Barker commented: "Bruell's strategic location in the Val D'Or East Gold Area and the synergies created by its close proximity to Eldorado's Lamaque Operations are clearly among the key features that attracted Sparton to the project area. We are pleased with the systematic work carried out to date by Eldorado and believe that the added drilling planned for the 29 square kilometre property can enhance the prospects of discovering an economic gold deposit."

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