



Sparton Resources Inc. Private Placement Financing Closed

EXPLORATION UPDATE

TORONTO, Aug. 10, 2020 -- **Sparton Resources Inc. (TSXV:SRI)** ("**Sparton**" or the "**Company**") announced the following today.

Exploration Update

At the Bruell Project, east of Val D'Or, Quebec, Eldorado Gold Corp. has completed a detailed airborne magnetic survey over the claim area as well as a mechanized till sampling program. Prospecting and geologic mapping is underway. The magnetic and till sampling data are being compiled to assist in guiding the field work.

At the Oakes Project, near Matachewan, Ontario, negotiations with the Affected First Nations are progressing in advance of the receipt of an exploration permit from the Ontario Ministry of Energy, Northern Development and Mines. A drone-supported detailed airborne magnetic survey is to begin shortly, designed cover the entire 42-claim property package. Once the exploration permit is received (expected to be in mid-August) surface work will begin. The existing access road to the Oakes shaft area will be cleared and several existing trenches will be reopened, followed by detailed geologic mapping and sampling in advance of drilling.

Financing

The Company has closed, effective August 5, 2020, a \$533,220 private placement financing through the sale of 3,620,000 Non-Flow Through Share Units ("NFTSUs") and 5,870,333 Flow-Through Share Units ("FTSUs") to a number of individual accredited investors (the "Investors"). A total of 9,490,333 units (the "Units") are being issued. Please see Sparton news releases dated July 13, 2020 and August 4, 2020. Final approval of the transaction has been received from the Toronto Venture Exchange.

Each of the NFTSUs and FTSUs consists of one common share of the Company and a one-half Share Purchase Warrant ("SPW"). Two SPWs will entitle the warrant holder to purchase one additional Sparton common share at a price of \$0.10 until August 5, 2021.

Each NFTSU was priced at \$0.05, and each FTSU was priced at \$0.06.

The placement was non-brokered and commissions and finder's fees of 6% cash and 6% in SPWs are payable on a portion of the value of the total financing introduced by the finders. The finders SPW terms are the same as for the SPWs provided as part of the Units to the Investors.

Resale of the shares is subject to normal restrictions under TSX Venture Exchange Policy and neither the Non-Flow Through nor the Flow Through Shares issued, may be traded before December 6, 2020.

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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.

Forward-Looking Statements

Information set forth in this news release involves forward-looking statements under applicable securities laws. The forward-looking statements contained herein include, but are not limited to, financings and transactions being pursued, and all such forward-looking statements are expressly qualified in their entirety by this cautionary statement. The forward-looking statements included in this news release are made as of the date hereof and the Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by applicable securities legislation. Although the Company believes that the expectations represented in such forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct and, accordingly, undue reliance should not be put on such forward-looking statements. This news release does not constitute an offer to sell or solicitation of an offer to buy any of the securities described herein.

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