Sparton Resources Inc. Signs Memorandum of Understanding with Matachewan First Nation

TORONTO, Nov. 25, 2020 -- **Sparton Resources Inc**. (**TSXV.SRI**) ("**Sparton**" or the "**Company**") is pleased to announce that it has signed, effective November 17, 2020 a Memorandum of Understanding (“MOU”) with the Matachewan First Nation (“MFN”) related to its exploration program activities on the Sir Harry Oakes Gold Project near Matachewan, Ontario.

MFN is a signatory to Treaty No. 9 and holds inherent aboriginal and treaty rights to and over their traditional territory, which includes the Mining Leases and claims held by Sparton and referred to as the Sir Harry Oakes Project. The MOU recognizes these rights and provides for a mutually beneficial and cooperative relationship between the parties.

MOU TERMS

The MOU, among other things, contemplates the possibility of an Investment Benefit Agreement (“IBA”) in the future if the project is successful in advancing the project to advanced exploration and development stages and completion of a positive feasibility study.

Additionally, the Company will compensate MFN for its exploration activities in the MFN area by issuing to MFN (subject to TSX.V approval) 50,000 Sparton common shares with a deemed value of $0.06 each, and 50,000 Share Purchase Warrants (“SPW”s). The SPWs are valid for a period of three years from November 17, 2020, and entitle MFN to purchase up to 50,000 additional common shares of the Company at a price of $0.10 per share.

As further compensation Sparton will pay MFN on an annual basis, 2% (percent) of its audited exploration costs directly related to the expenses on the Oakes Project.

The MOU is valid and in effect until Sparton has either ceased its activities on the Project or an IBA agreement is concluded.

GENERAL

“With the level of mining and exploration activities currently taking place in the Matachewan area, we are seeing a greater participation by First Nations in this important sector of the economy. We are very pleased to be working with MFN and ensuring that the environmental standards and economic and social values that they impart and that we share are being applied. We look forward to a long and mutually beneficial relationship. Negotiations for this MOU were constructive and straightforward. Sparton management look forward to close consultation with MFN on any and all aspects of the Oakes Project where mutual technical, commercial and MFN traditional knowledge benefits can be achieved,” stated Lee Barker, Sparton CEO.

ABOUT THE COMPANY

Sparton is a mineral exploration Company currently focused on exploring gold projects near producing mines on or near the major gold producing trends in eastern Ontario and western Quebec where it holds interests in two exploration prospects. The Bruell Property in Quebec, which hosts a new gold discovery, has been optioned to Eldorado Gold, which owns the nearby producing Lamaque Mine. The Sir Harry Oakes Property in Ontario is the current focus of the Company’s exploration drilling program and is in close proximity to Alamos Gold’s producing Young Davidson Mine. The Company is currently conducting an initial drill program designed to confirm the results of work originally carried out by a syndicate funded by Sir Harry Oakes in the 1930’s.

Sparton also holds an interest in VRB Energy Inc., a leading vanadium battery company that is currently private.

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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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