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Spruce Ridge Reports Updated Mineral Resource Estimate at Great Burnt Copper Property

Puslinch, Ontario, July 8, 2021 – Spruce Ridge Resources Ltd. (TSX-V: SHL) (the “Company”) is pleased to announce that the Company has received the results of an updated Mineral Resource Estimate for the Great Burnt Copper and Gold Property in Central Newfoundland, that incorporates the results of the 2020 diamond drilling program on the Great Burnt Main Zone. The Mineral Resource Estimate was prepared by P&E Mining Consultants Inc. It will be used in a Preliminary Economic Assessment (PEA), expected to be complete later this year.

Table 1 shows the current (2021) Mineral Resource Estimate of the Great Burnt Property including the Main Zone and the South Pond “A” Copper-Gold Zone. Table 2 compares the 2021 and 2019 estimates for the Great Burnt Main Zone only (no new drilling was done on the South Pond Zones). The most prominent change is the increase in copper grades of the Main Zone, **from 2.66% Cu to 3.21% Cu** in the Indicated classification, with a smaller decrease from 2.41% Cu to 2.35% Cu in the Inferred classification. There was a matching increase in the contained copper content from 32.3 (Indicated) plus 30.4 (Inferred) million pounds (Mlbs) to 47.2 (Indicated) plus 25.0 (Inferred) Mlbs. The 2020 drill program comprised only infill drill holes; hence there was only a very minor increase in tonnage of the Great Burnt Main Zone; however, approximately one-fifth of the Inferred tonnage has moved to the Indicated classification.

CEO John Ryan stated “We are extremely pleased with the updated Mineral Resource Estimate at the Great Burnt Main Zone. Compared with the 2019 estimate, the Indicated Mineral Resource now has 46 percent more pounds of copper contained in just 21 percent more tonnes, with a 21 percent increase in grade. With the copper price having more than doubled over its 2020 low, and strong copper demand anticipated as electricity continues to replace fossil fuels, the Great Burnt Main Zone is looking as if it has a realistic prospect of becoming a commercially viable deposit, and we are eagerly awaiting the results of the PEA.”

TABLE 1: Great Burnt Underground Mineral Resource Estimate at 0.90% CuEq Cut-Off							
Classification	Tonnes (k)	Cu %	Au g/t	CuEq %	Cu Mlbs	Au koz	CuEq Mlbs
Great Burnt Main Zone							
Indicated	667	3.21	Nil	3.21	47.2	Nil	47.2
Inferred	482	2.35	Nil	2.35	25.0	Nil	25.0
South Pond “A” Deposit							
Indicated	214	1.26	1.21	2.10	6.0	8.3	9.9
Inferred	145	1.07	1.02	1.78	3.4	4.8	5.7
Total							
Indicated	881	2.74	0.29	2.94	53.2	8.3	57.1
Inferred	627	2.05	0.24	2.22	28.4	4.8	30.7

TABLE 2: Great Burnt Main Zone only - 2019 and 2021 Mineral Resource Estimates			
Classification	Tonnes (k)	Cu (%)	Cu Mlbs
2021 Mineral Resource Estimate			
Indicated	667	3.21	47.2
Inferred	482	2.35	25.0
2019 Mineral Resource Estimate			
Indicated	550	2.66	32.3
Inferred	572	2.41	30.4
Percent change 2021 over 2019			
Indicated	+21%	+21%	+46%
Inferred	-16%	-2%	-18%

1. **Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues, although Spruce Ridge is not aware of any such issues.**
2. **The Inferred Mineral Resource in this estimate has a lower level of confidence that that applied to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of the Inferred Mineral Resource could be upgraded to an Indicated Mineral Resource with continued exploration.**
3. **The Mineral Resources were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), CIM Standards on Mineral Resources and Reserves, Definitions (2014) and Best Practices Guidelines (2019).**
4. **The 0.90% Cu cut-off grade was derived from the June 2021 Consensus Economics long term forecast Cu and Au prices of US\$3.62/lb and US\$1,650/oz, US\$ exchange rate of \$0.76, 95% process recovery, underground mining C\$40/t, processing C\$15/t, G & A \$5/t and smelting/refining C\$10/t.**
5. **$CuEq\% = Cu\% + (Au\text{ g/t} \times 0.687)$**

Reasons for the Increase in Grade: The full results of the 22-hole, 3,114-metre drill program were published in News Release 2021-09 on March 18th, 2021. It was noted that the range of copper grades encountered in the 2020 drilling was significantly higher than the grades reported in historical holes drilled by Asarco in the 1960s. Similarly higher copper grades had also been noted in the smaller drill programs of 2016 and 2018. The provisional conclusion was presented, that the historical holes, which recovered EX core with a diameter of only 22 mm, using a standard (i.e. non-wireline) drill had lost a portion of the higher grade, massive sulphide intervals by grinding the core. This conclusion was supported by historical drill logs, which reported core recoveries in the mineralized zone that range from 13% to 100%, and averaged about 77%.

In other developments: Work is to commence in the coming week to make a 9-kilometre access trail from the Great Burnt Main Zone to the South Pond “A” Copper-Gold Zone and the South Pond “B” Gold Zone. Additional drilling is planned on the South Pond “B” Gold Zone, which does not yet have a Mineral Resource Estimate due to the wide spacing between historical drill holes. Drill results include 27.25 metres averaging 1.06 grams of gold per tonne (g/t Au) in hole GB87-08, 4.33 metres of 4.43 g/t Au in GB87-12 and 17.13 metres of 1.11 g/t Au in GB89-06.

Technical material in this news release has been prepared and/or reviewed for accuracy by Colin Bowdidge, Ph.D., P.Geo., a Qualified Person as defined in National Instrument 43-101 and Vice-president of Exploration for the Company. Mineral Resource Estimates quoted in this news release were prepared by P&E Mining Consultants Inc. under the direction of independent Qualified Person Eugene Puritch, P.Eng.

About Spruce Ridge Resources Ltd.

Spruce Ridge holds a 100% interest in the Great Burnt Copper-Gold Property in Central Newfoundland which covers a series of copper ± gold rich VMS deposits. Spruce Ridge sold its interest in the Crawford Nickel-Cobalt Sulphide project to Canada Nickel Company Inc. but retained ground which contains VMS and gold targets. Spruce Ridge holds 8,100,000 shares of Canada Nickel Company and 10,000,000 shares of Noble Mineral Exploration Inc. Spruce Ridge has an option agreement with Magna Terra Minerals Inc. on its Viking/Kramer gold properties in Western Newfoundland.

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Forward-Looking Statements

This News Release includes certain "forward-looking statements" which are not comprised of historical facts. Forward-looking statements include estimates and statements that describe the Company's future plans, objectives or goals, including words to the effect that the Company or management expects a stated condition or result to occur. Forward-looking statements may be identified by such terms as "believes", "anticipates", "expects", "estimates", "may", "could", "would", "will", or "plan". Since forward-looking statements are based on assumptions and address future events and conditions, by their very nature they involve inherent risks and uncertainties. Although these statements are based on information currently available to the Company, the Company provides no assurance that actual results will meet management's expectations. Risks, uncertainties and other factors involved with forward-looking information could cause actual events, results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking information. Forward looking information in this news release includes, but is not limited to, the Company's objectives, goals or future plans, statements, exploration results, potential mineralization, the estimation of mineral resources, exploration and mine development plans, timing of the commencement of operations and estimates of market conditions. Factors that could cause actual results to differ materially from such forward-looking information include, but are not limited to failure to identify mineral resources, failure to convert estimated mineral resources to reserves, the inability to complete a feasibility study which recommends a production decision, the preliminary nature of metallurgical test results, delays in obtaining or failures to obtain required governmental, environmental or other project approvals, political risks, inability to fulfill the duty to accommodate First Nations and other indigenous peoples, uncertainties relating to the availability and costs of financing needed in the future, changes in equity markets, inflation, changes in exchange rates, fluctuations in commodity prices, delays in the development of projects, capital and operating costs varying significantly from estimates and the other risks involved in the mineral exploration and development industry, an inability to predict and counteract the effects of COVID-19 on the business of the Company, including but not limited to the effects of COVID-19 on the price of commodities, capital market conditions, restriction on labour and international travel and supply chains, and those risks set out in the Company's public documents filed on SEDAR. Although the Company believes that the assumptions and factors used in preparing the forward-looking information in this news release are reasonable, undue reliance should not be placed on such information, which only applies as of the date of this news release, and no assurance can be given that such events will occur in the disclosed time frames or at all. The Company disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, other than as required by law.