

PRESS RELEASE



Sphinx Closes Private Placement

MONTREAL, August 7, 2020 - Sphinx Resources Ltd. ("Sphinx" or the "Corporation") (TSX-V: SFX) announces that it has closed a second tranche of \$13,000 of the private placement (the "Private Placement") and, with the first tranche closed on June 11, 2020, the aggregate gross proceeds is \$83,250.

The Private Placement was comprised of:

- 2,275,000 units of the Corporation at a price of \$0.03 per unit. Each unit consists of one common share in the capital of the Corporation and one common share purchase warrant. Each warrant entitles the holder to acquire one common share at a price of \$0.05 per common share for 3 years from the date of issuance; and
- 300,000 flow-through units at a price of \$0.05 per flow-through unit. Each flow-through unit consists of one flow-through share in the capital of the Corporation and one half common share purchase warrant. Each whole warrant entitles the holder to acquire one common share at a price of \$0.07 per common share for 3 years from the date of issuance. The flow-through shares shall qualify as "flow-through shares" within the meaning of the *Income Tax Act* (Canada).

The Insiders' participation for a total of \$41,000 is exempt from the formal valuation and minority shareholder approval requirements provided under Regulation 61-101 respecting Protection of Minority Security Holders in Special Transactions ("Regulation 61-101") in accordance with sections 5.5(a) and 5.7(1)(a) of Regulation 61-101. The exemption is based on the fact that neither the fair market value of the private placement, nor the consideration paid by such Insiders exceeds 25% of the market capitalization of the Corporation.

The net proceeds of the Private Placement will be used to fund the Corporation's exploration projects, acquisition of new projects and for general working capital purposes.

The private placement was carried out pursuant to prospectus exemptions of applicable securities laws and is subject to final acceptance by the TSX Venture Exchange.

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In connection with the Private Placement, the Corporation has agreed to pay a finder's fee of \$1,050. The securities of the Corporation to be issued pursuant to the Private Placement are subject to a four-month hold period.

As a result of the closing of the Private Placement, there are 128,759,261 common shares of the Corporation issued and outstanding.

About Sphinx

Sphinx is a mineral exploration company that focuses its activities in southwestern Quebec in search of deposits of precious metals (gold, silver, palladium and platinum) and base metals (zinc, copper, lead). Sphinx is particularly active in the MRC Pontiac where its President and Chief Executive Officer resides. It has a strong local shareholding that contributes towards social acceptability.

For further information, please consult Sphinx's website or contact:

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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.

This press release may contain forward-looking statements that are subject to known and unknown risks and uncertainties that could cause actual results and activities to vary materially from targeted results and planning. Such risks and uncertainties include those described in Sphinx's periodic reports including the annual report or in the filings made by Sphinx from time to time with securities regulatory authorities.

All forward-looking statements in this press release are made as of the date of this press release. Sphinx does not undertake to update any such forward-looking statements whether as a result of new information, future events or otherwise, except as required by law.