



TSX-V: SSP
OTCQX: SSPXF

Sandspring Resources Closes C\$6.5 Million Private Placement

May 6, 2016 – Denver, Colorado and Vancouver, British Columbia – Sandspring Resources Ltd. (TSX-V: SSP, OTCQX: SSPXF) (“Sandspring” or the “Company”) is pleased to announce that the Company has closed the oversubscribed non-brokered private placement announced on April 19, 2016 consisting of 20,315,500 units (the “Units”) for gross proceeds of C\$6.5 million (the “Private Placement”).

Each Unit consists of one common share in the capital of the Company at a price of C\$0.32 per share and one common share purchase warrant exercisable into one common share at an exercise price of C\$0.42 until May 6, 2021. All securities issued pursuant to the Private Placement are subject to a four-month hold period expiring September 7, 2016. Finder’s fees of C\$120,508 and 156,250 Units were issued in relation to the private placement.

The Company intends to use the proceeds to undertake an exploration program on its Toroparu Gold Project in Guyana, South America, and for general working capital.

“That the Sandspring private placement was oversubscribed underscores the leverage that Sandspring provides to a strengthening gold price,” said Rich Munson, Director and Chief Executive Officer of Sandspring. “Sandspring is now financed well into 2017, including a moderate exploration program in 2016 at the Toroparu Gold Project.”

On behalf of the Board of Directors of Sandspring Resources

“Richard A. Munson”

Director and Chief Executive Officer

About Sandspring Resources Ltd.

Sandspring Resources Ltd. is a Canadian junior mining company currently moving toward a definitive feasibility study for the multi-million ounce Toroparu Project in the Republic of Guyana. A gold and silver purchase agreement with Silver Wheaton and the transaction with PNO Resources Ltd. that closed in September 2015 (see Sandspring press release dated September 14, 2015) provide Sandspring with a strong base as it proceeds with the ongoing development of the Toroparu Project. A prefeasibility study completed in May 2013 (NI 43-101 Technical Report, Prefeasibility Study, Toroparu Gold Project, Upper Puruni River Area, Guyana, dated May 24, 2013 completed by SRK Consulting (U.S.), Inc., available on SEDAR at www.sedar.com) outlined the design of an open-pit mine producing more than 200,000 ounces of gold annually over an initial 16-year mine life. Significant exploration potential, along with copper credits, provides additional upside potential for the Toroparu Project. Additional information is available at www.sandspringresources.com or by email at info@sandspringresources.com.

Contact Sandspring Resources

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This news release contains certain forward-looking information and statements within the meaning of applicable securities laws. The use of any of the words “subject to”, “plans”, and similar expressions are intended to identify forward-looking information and/or statements. Forward-looking statements and/or information are based on a number of material factors, expectations and/or assumptions that Sandspring has used to develop such statements and/or information, but which may prove to be incorrect. Although Sandspring believes that the expectations reflected in such forward-looking statements and/or information are reasonable, undue reliance should not be placed on forward-looking statements since Sandspring can give no assurance that such expectations will prove to be correct. Such information and/or statements, including the assumptions made in respect thereof, involve known and unknown risks, uncertainties and other factors that may cause actual results and/or events to differ materially from those anticipated in such forward-looking information and/or statements including, without limitation: Sandspring’s ability to successfully execute the 2016 exploration program; the results of the 2016 exploration program; Sandspring’s ability to finalize the definitive feasibility study in 2016; the results of the definitive feasibility study; the availability of future financing and/or cash flow to fund current and future plans and expenditures; the impact of increasing competition; the general stability of applicable economic and political environments; the general continuance of current industry conditions; uncertainty regarding the market price for gold, silver and copper; uncertainty of conducting operations under a foreign regime; uncertainty of obtaining all applicable regulatory approvals and related timing matters; Sandspring’s dependence on management personnel; and/or certain other risks detailed from time-to-time in Sandspring’s public disclosure documents. Furthermore, the forward-looking statements contained in this news release are made as at the date of this news release and the Company does not undertake any obligations to publicly update and/or revise any of the included forward-looking statements, whether as a result of additional information, future events and/or otherwise, except as may be required by applicable securities laws.