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Sandy Lake Gold Inc. wins Arbitration case against Treasury Metals Inc.

July 9, 2018 (Toronto, Ontario): Sandy Lake Gold Inc. (**the "Company" or "SLG"**) (TSXV:SLAU) is pleased to announce a partial award in the Arbitration Proceedings with Treasury Metals Inc. (**TSX:TML**) formerly Goldeye Explorations Limited (**"Goldeye"**) (see Treasury Metals press release dated July 11, 2016 available at SEDAR.com).

The case centred on an option agreement between the Companies signed on April 15, 2015, on the Weebigee Project, in the Sandy Lake district located 220 kilometers north of Red Lake, Ontario.

The Arbitral Tribunal has ruled in favour of Sandy Lake Gold Inc. on all substantive issues.

The two main issues were the amount of first year expenditures and whether Treasury Metals Inc. exercised an option to participate as a 50% joint venture with the Company in the ownership of a large group of claims staked around the original Weebigee project in 2015. Treasury Metals Inc., which initiated the proceedings, had alleged that **SLG** had failed to incur minimum first year expenditures of \$500,000.00 on the Weebigee property as required by the May 2015 option agreement. The Arbitral Tribunal panel ruled that in fact **SLG** had incurred expenditures of \$1,292,130.06. in the first year.

Significantly, the Tribunal also ruled that Treasury Metals Inc. failed to fulfill the conditions for participating as a joint venturer in the surrounding mineral claim land package of approximately 80,000 acres (2,210 claim units), and that Treasury Metals Inc. has no ownership or any other rights over or interests in these claims.

The counterclaim of Sandy Lake Gold Inc. against Treasury Metals Inc. is pending before the Arbitral Panel and has not yet been determined.

PROJECT UPDATE

Sandy Lake Gold Inc. currently controls approximately 104,000 acres of contiguous mineral claim holdings in the Sandy Lake Greenstone Belt. In 2014, a limited drill program in the western part of the claim package returned high grade gold intercepts of 12.86 Au g/t over 6.85 meters and 12.17 Au g/t over 6.2 meters. (Goldeye press release April 9, 2014 available at SEDAR.com).

The Company has recently completed a VTEM airborne and ground geophysics surveys over the Phase 1 target areas. In February 2018 the Company signed a 5,000 meter drill contract and has mobilized all necessary equipment for the project. The Company is currently negotiating an Exploration Agreement with the First Nation communities, whose Traditional Territories encompass the project.

Sandy Lake Gold Inc. looks forward to advancing the exploration and development of this emerging gold district in partnership with the First Nations.

All scientific and technical information in this press release has been prepared under the supervision of Dan Noone, (Interim CEO and a Director of Sandy Lake Gold), a “qualified person” within the meaning of National Instrument 43-101. Mr. Noone (B.Sc Geology, MBA) is a member of the Australian Institute of Geoscientists.

For further information please contact:

Dan Noone

Interim Chief Executive Officer and Executive Director

(416) 628-5904

Email: info@sandylakegold.com

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