SILVER SPRUCE RESOURCES INC.

Media Release

Silver Spruce Submits Definitive Drill Plan Declaration to Mexican Government for Pino de Plata Project

July 5, 2017 - Bridgewater, NS - (TSXV:SSE) (Frankfurt–S6Q) – Silver Spruce Resources Inc. ("Silver Spruce" or the "Company") is pleased to announce that it has filed the Informe Preventivo which is required in the permitting process for initiating the drill program at its Pino de Plata silver project. The 397-hectare (Ha) project is located in the Sierra Madre Occidental of Western Chihuahua State, Mexico, (see location map http://www.silverspruceresources.com/s/Pino-de-Plata.asp) approximately 15 kilometres west from Coeur Mining's Palmarejo silver project and approximately 12 kilometres due south of the town of Chinipas, Chihuahua State, Mexico.

The Company has obtained the required signature from the surface land owner on the formal permitting application necessary to submit to government environmental authority, SEMARNAT, in order to obtain the permits for up to thirty (30) drill sites. Silver Spruce has contracted PRODEMIN, SA de CV to manage the environmental permitting process. No new road construction will be required, as the targets can be reached from the existing roads on the property.

"The filing of the Informe Preventivo is an important and critical step to attain the permit to drill at Pino de Plata. Surface land owners with ranches on our project have granted access for the drill campaign, and the comprehensive declaration/permit application has been filed. Government approval for the drill program should be awarded within twenty (20) business days, barring any additional clarification that may be requested. The application is complete and thorough. We do not anticipate that any additional information will be required," stated Karl Boltz, CEO of Silver Spruce.

On previous site visits, Silver Spruce's field team completed onsite tours with representatives of three drilling companies that are submitting bids for the drilling contract. A recent site visit by Management and PRODEMIN refined the drill sites to locations on existing roads. This first-ever drill program at the project is based on updated recommendations by Dr. Craig Gibson, Technical Director of PRODEMIN, that were modified from those contained in the NI 43-101 report and which is available on our website at www.silverspruceresources.com and is filed on www.sedar.com.

A total of thirty road-accessible drill sites were identified and included in the permit declaration. PRODEMIN and Silver Spruce's field team positioned and mapped the proposed drill hole locations that were submitted for permit. The team also completed an onsite tour with representatives of a fourth drilling company and has received a bid from a fifth, in an effort to conduct the most cost effective program possible.

El Terrero Target

The first high priority drill target is El Terrero, a 2,000 square metre area of disseminated epithermal mineralization in igneous (intrusive) rock, characterized by at least five adit portals and a significant tailings pile left by Spanish miners active in the 1880's. During the property visit for the NI 43-101 report, surface grab samples were collected and returned values to a maximum of 557 grams per tonne (g/t) silver (Ag) or (over 17.9 ounces per tonne (opt) Ag). These samples also returned highly anomalous values of gold (Au), lead (Pb), zinc (Zn) and copper (Cu). Six holes are planned with targeted depths to 100 metres.

Theodora Vein Targets

The second high priority drill target is focussed on the veins in the Theodora through El Sierpe I and II areas. Verification samples collected and analysed for the NI 43-101 report returned values up to 553 g/t (17.78 opt) Ag. These samples also returned anomalous values of gold (Au), lead (Pb), zinc (Zn) and copper (Cu). Three holes are proposed with planned depths to 100 metres.

<u>Santa Elena – Gossan Target</u>

The third high priority target is the Santa Elena – Gossan Area which presents a viable target for replacement Ag-Pb-Zn-Cu deposits. Unoxidized replacement mineralization from the Santa Elena Mine assayed up to 349 g/t Ag. The gossans are anomalous in Ag and base metals and indicates the possibility of economic grades in the unweathered marble. This area has the potential for relatively shallow replacement mineralization over an area of over 20 square hectares. An enrichment layer may be encountered by drilling below the weathered surface of the outcropping and highly weathered gossan. Three to five drill holes are proposed in this target area with planned depths of up to 100 metres. If any of the above mentioned drill holes reach total target depth and remain in mineralized rock, the Company intends to continue the hole(s) to a maximum depth of up to 300 metres.

About Pino de Plata

The 397-hectare Pino de Plata Ag-Pb-Zn-Cu-Au project is located approximately fifteen kilometres west from Coeur Mining Inc.'s Palmarejo open pit and underground operations. Although the Pino de Plata project has supported small scale historical production of high-grade mineralization from numerous areas, it had never been systematically explored and has had no drilling.

Ninety-two rock samples were taken during the NI 43-101 field examination. The highlights are available at: http://www.silverspruceresources.com/i/pdf/reports-and-tables/Selected-Assays-PdP.pdf The analytical results show the examined project area to host epithermal mineralization

at surface with silver values, on average, of greater than 50 g/t (1.6 opt), over an area of more than 1 square km (>100 Ha). Specific targets were sampled with silver (Ag) assays of up to 557 g/t or 17.9 opt in outcrop.

Three types of mineralization were identified in the NI 43-101 report: disseminated epithermal mineralization in igneous (intrusive) rock, carbonate replacement mineralization in limestone/marble and sandstone/hornfels, and several areas of significant outcropping vein mineralization. Each of the host areas identified in the NI 43-101 technical report provide immediate drill targets with open pit potential.

The Company intends to conduct a 1,500+ metre diamond drill program to test these defined targets where high grades of mineralization were sampled at surface.

Qualified Person

Mr. Leonard J. Karr, professional geologist and a Qualified Person, under TSX guidelines, was the author of the Company's NI 43-101 report on the Pino de Plata project, dated 7 July 2015.

Dr. Craig Gibson, PhD, PGeo, is the Company's independent Qualified Person for the Pino de Plata project and has reviewed the technical content of this press release.

About Silver Spruce Resources Inc.

Silver Spruce Resources Inc. is a well-positioned Canadian junior exploration company pursuing exploration and development of the past-producing Kay Mine volcanogenic massive sulfide ("VMS") project in Arizona, USA, and the exploration of the Pino De Plata epithermal silver/base metal/gold project located in the prolific Sierra Madre Occidental region of western Chihuahua State in Mexico.

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. The company seeks Safe Harbour.

Contact:

Silver Spruce Resources Inc.

Karl Boltz, President & CEO, Director

Toll Free: (866) 641-3397

info@silverspruceresources.com

www.silverspruceresources.com