

Toroparu Gold Project Update

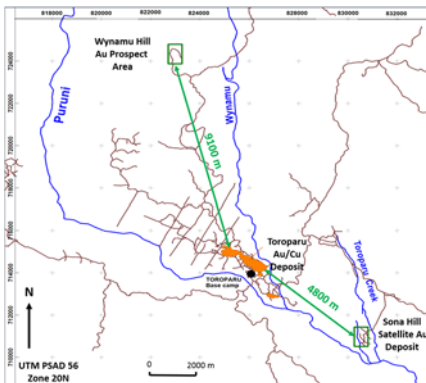
January 26, 2018 – Denver, Colorado and Vancouver, British Columbia – Sandspring Resources Ltd. (SSP: TSX-V) (“Sandspring” or the “Company”) is pleased to announce results from phase one of its 2017 – 2018 exploration program (the “Program”) at its 7.1-million-ounce resource (Measured & Indicated) Toroparu Gold Deposit (“Toroparu”) ¹ in Guyana, South America. The Program was announced in the Company’s press release of September 18, 2017.

Phase One targeted mineralization in weathered saprolite and shallow fresh rocks in the Sona Hill and Wynamu Prospect Areas (Fig. 1). Highlights include:

- **12.07 g/t over 5.05m*** in Sona Hill Drill (SOD120) (step-out), **1.35 g/t over 9m** and **1.96 g/t over 8m** in SOD113 (step-out), **1.78g/t over 16.79m** in SOD128 (infill), and **5.58 g/t over 3.96m** in SOD128 (infill) from 3,119m of exploratory, step-out, and infill drilling at Sona Hill.
- **1.68 g/t over 16.5m*** in Wynamu Drill hole 22 (WYD022) (exploration), **1.72 g/t over 6.15m** in WYD 035 (exploration), **1.04 g/t over 17.2m** in WYD040 (exploration), and **1.54 g/t over 5.2m, 1.25 g/t over 3.9m, & 1.92 g/t over 10.23m** in WYD043 (exploration) from 2,813.5m of exploratory drilling at Wynamu Hill.

*All results reported as true widths

Fig 1. Location Map



The Sona Hill maiden resource estimate (Feb 2017) increased total resources for the Toroparu project to 7.1 Moz. Measured & Indicated (M&I) and 3.3 Moz. Inferred (Inf) ounces of gold. Significantly, the weathered saprolite gold resource estimate increased by 158% to 218,600 M&I and 330,400 Inferred ounces of gold with the addition of with 50,200 Indicated and 70,400 Inferred ounces from Sona Hill. ¹

¹ 2013 SRK Consulting (U.S.) Inc., Toroparu mineral resource statement estimates 44.5 Mt of Measured Resource at a grade of 0.98 g/t Au containing 1.398 Moz of gold, Indicated Resource of 195.7 Mt at 0.87 g/t containing 5.497 Moz gold. 2017 SRK Consulting (U.S.) Inc., Sona Hill mineral resource statement estimates 5.563 Mt of Indicated Resource at a grade of 1.09 g/t Au containing 195 koz of gold, for a total M&I resource for Toroparu and Sona Hill of 7.089 Moz of gold.

An analysis by SRK Consulting (US) Inc. conducted in 2017 indicated that a potentially positive economic trade-off exists for an expanded startup saprolite leach operation at Toroparu assuming sufficient saprolite reserves can be defined from the resources defined at Toroparu and Sona Hill.

The drilling portion of the Program was designed to target conversion of these resources to reserves and explore for additional mineralization in saprolite and shallow fresh rocks adjacent and within the Sona Hill Resource and Wynamu Prospect Areas.

Phase Two of the Program commenced on January 9th and is expected to be completed by March 31st 2018. Phase Two includes 6,350m of infill drilling at Sona Hill targeting conversion of the 241,000 ounces of Inferred gold resource, 1,850m of additional step-out and infill drilling at Wynamu Hill, and 1,600m of exploration drilling at Ameeba Hill.

Otomung saprolite geochemistry and Kurupung Hydroelectric Project

The Program's geochemical surveys planned for the Otomung Concession are complete. Two areas with anomalous gold values have been identified as potential drilling targets. Additional exploratory work, including trenching across these areas is underway to confirm the presence of mineralization prior to a drilling decision being made.

Sandspring has continued to do work under its Memorandum of Understanding with the Government of Guyana for the development of the Kurupung River Hydroelectric Project, a run-of-river hydroelectric project located at Kumerau Falls, approximately 50km southwest of Toroparu. Sandspring completed a site visit with hydropower experts from Hydrosience Consulting and Knight Piésold Consulting in November 2017 and expects to have a pre-feasibility report for the project in 1Q2018. The Company is evaluating the optimal size of the project as the site can support various levels of power production.

Rich Munson, CEO states: "Our exploration program has expanded our Indicated and Inferred resources and continues to report excellent results. These results are supportive of our interpretations of the potential resources available at Sona Hill and Wynamu. The continuing drilling program will be an important planning tool for the feasibility study for Toroparu with additional results due from exploration and infill drill holes as they are reported. Sona Hill and Wynamu are seen as feeders for the Toroparu processing plant in the early years of operation, buoying the economics of the project through its early life."

"We are also excited about the results of the ongoing work on the Hydroelectric Project. The advancement of the Hydroelectric Project, which will have a very significant impact on our operating costs, and the potential enhancement of a start-up plan for Toroparu from the additional saprolite ore underpin the development plans for the 7.1 million ounce (M&I) project," continued Mr. Munson.

2017 Program - Sona Hill Drilling

The Company has received assay results from 22 core holes (3,119m) drilled within the Sona Hill Prospect during November and December 2017. Highlights of the boreholes (SOD110 to SOD131) are presented in the list below.

Highlights from the Sona Hill Drill Program – borehole SOD110 to SOD131

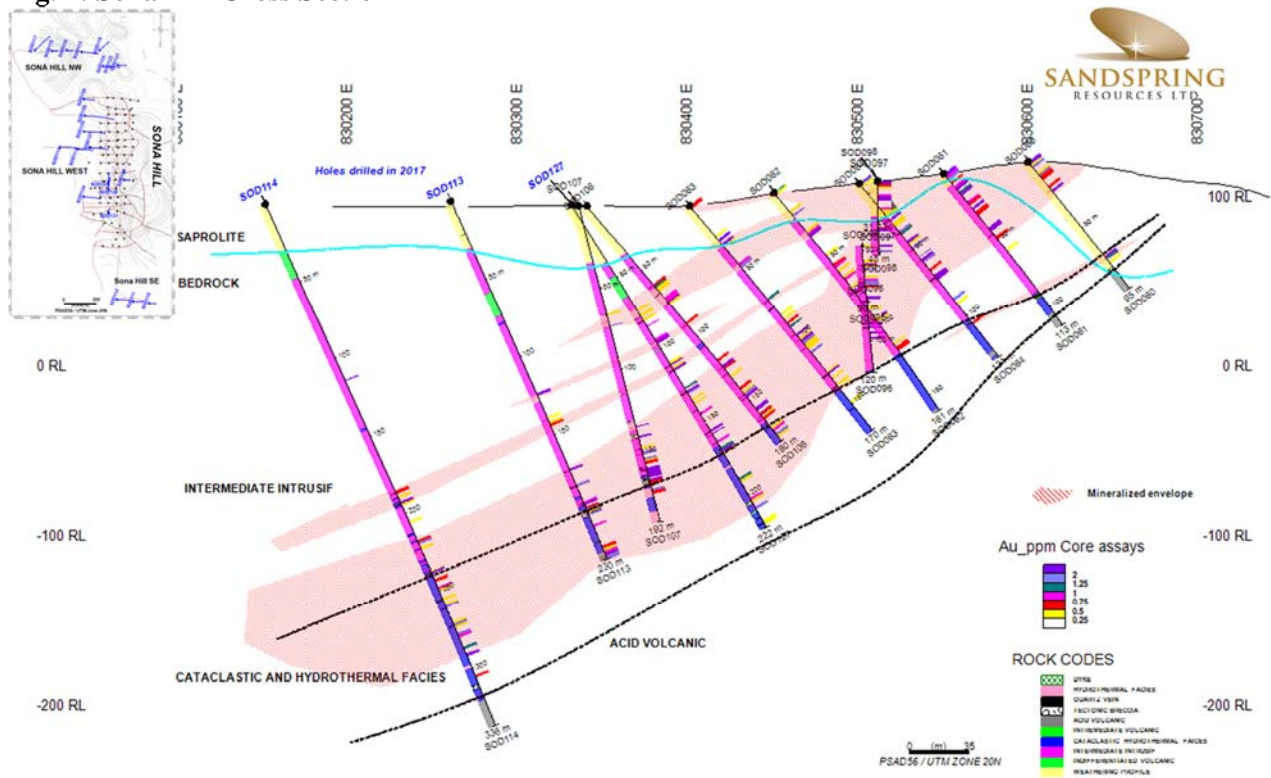
Sona Hill - Highlighted Gold Intercepts

HoleID	From (m)	To (m)	True Width (m)	Weighted Av. Au Grade (g/t)	HoleID	From (m)	To (m)	True Width (m)	Weighted Av. Au Grade (g/t)
SOD113	193.5	202.5	9	1.35	SOD127	154.5	159	4.5	3.70
<i>Incl</i>	194.75	195.74	0.99	5.43	<i>Incl</i>	156	157.1	1.1	13.40
SOD113	222	230	8	1.96	SOD127	168	172.5	4.5	1.27
<i>Incl</i>	226.68	230	3.32	3.85	<i>Incl</i>	169.5	171	1.5	2.29
SOD114	193.06	195.45	2.4	2.87	SOD128	0	20.5	16.79	1.78
SOD114	236.84	239.26	2.4	6.41	<i>Incl</i>	14.5	16	1.23	6.20
SOD120	247.5	252.55	5.05	12.07	SOD128	39.5	44.28	3.92	5.58
<i>Incl</i>	249.1	250.34	1.24	48.40	<i>Incl</i>	39.5	41.44	1.59	13.10
SOD124	145.5	148.5	3	1.22	SOD129	4	20.5	14.95	3.11
SOD125	183.88	187.89	4.01	2.55	<i>Incl</i>	5.5	8.5	4.08	6.38
<i>Incl</i>	187.04	187.89	0.85	5.51	SOD130	16	23.28	5.96	1.07
SOD127	93	96.51	3.51	2.10	SOD130	47.5	52.62	4.19	3.02
SOD127	109.24	115.5	6.26	3.55	<i>Incl</i>	47.5	50.72	2.64	4.29
<i>Incl</i>	110.79	111.64	0.85	18.60	SOD130	57	59.64	2.16	2.43
SOD127	126.86	131.39	4.53	1.42	SOD130	65.81	69.72	3.2	1.25
<i>Incl</i>	128.97	130.15	1.18	2.71	SOD130	121.95	135	10.69	1.68
					<i>Incl</i>	126.12	127.7	1.29	6.60

* Results presented are true thickness of the mineralized zone.

Hard rock mineralization was first discovered at Sona Hill in 2012 during follow-up exploration of ten gold geochemical anomalies clustered around Toroparu. Drill programs at Sona Hill have focused on the opportunity to add higher grade resources in proximity to the existing Toroparu deposit reserves (see Sandspring press releases dated February 3, 2016, August 17, 2016, November 3, 2016, February 13, 2017 and February 23, 2017) by exploring the mineralization located within the hanging wall of a north-south oriented west dipping low angle shear structure.

Fig. 2: Sona Hill Cross Section



SONA HILL PROSPECT – Section 1200 N

The Sona Hill mineralized system remains open at depth to the west. A complete list of gold mineralized drill intercepts from boreholes SOD110 to SOD131 is provided as Exhibit 1 to this Press release.

2017 Program - Wynamu Hill Drilling

The Company has received assay results from 29 core holes (2,813m) drilled within the Wynamu Hill Prospect during November and December 2017. Highlights of the boreholes (WYD015 to WYD043) drilled to an average length of 97m from surface are presented in the list below.

Highlights from the Wynamu Hill Drill Program – borehole WYD015 to WYD043

Wynamu Hill - Highlighted Gold Intercepts

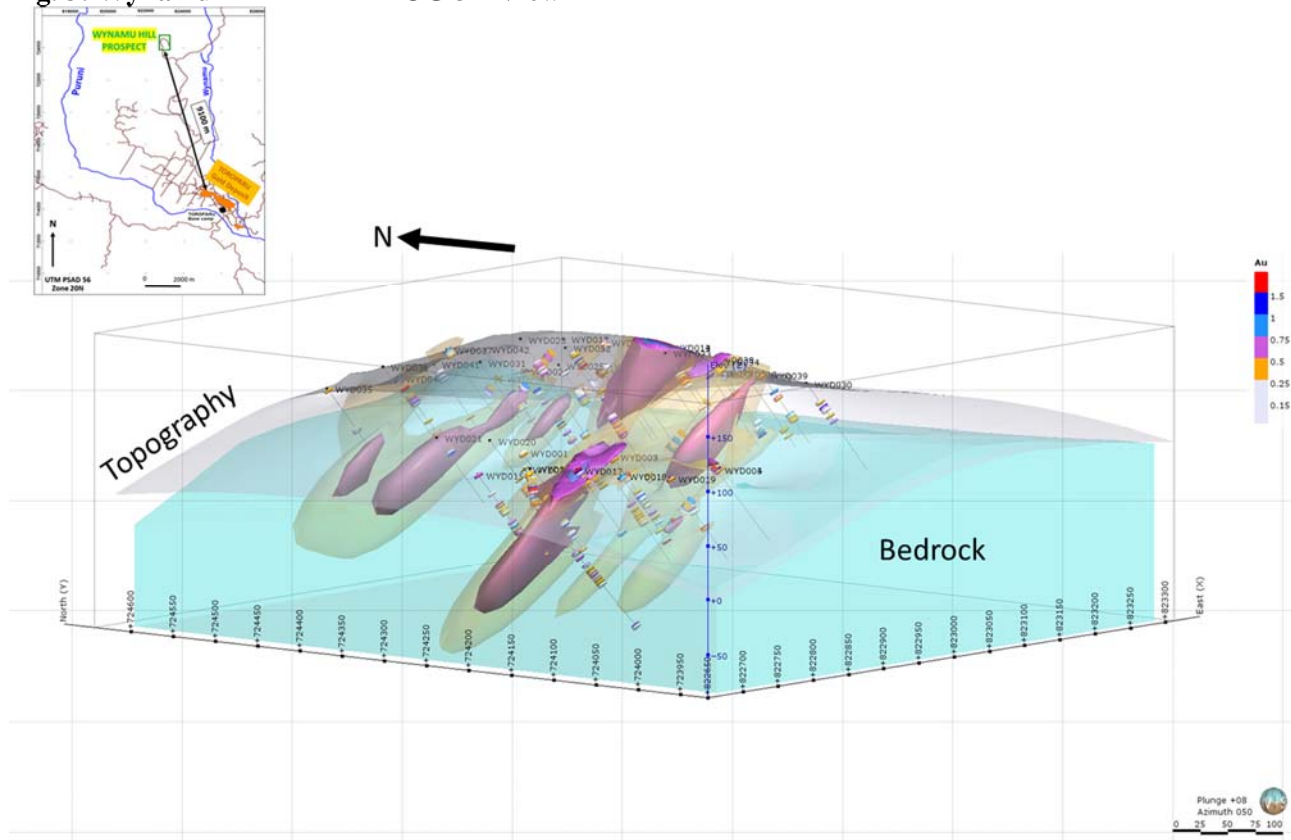
HoleID	From (m)	To (m)	True Width (m)	Weighted Av. Au Grade (g/t)	HoleID	From (m)	To (m)	True Width (m)	Weighted Av. Au Grade (g/t)
WYD019	54.50	57.50	3.00	1.18	WYD034	36.50	41.00	4.50	2.30
WYD020	101.7	102.85	1.15	1.38	<i>incl</i>	36.50	38.00	1.50	6.17
WYD020	114.93	120.5	5.57	1.57	WYD035	65.00	71.15	6.15	1.72
WYD022	29	45.5	16.50	1.68	<i>incl</i>	68.78	70.40	1.62	4.46
<i>incl</i>	33.5	39.5	6.00	2.77	WYD040	61.06	65.00	3.94	1.08
WYD022	58.38	66.5	8.12	2.47	<i>incl</i>	63.84	65.00	1.16	2.45
<i>incl</i>	59	60.5	1.50	7.46	WYD040	68.84	86.00	17.16	1.04
WYD023	117.50	122.00	4.50	1.38	<i>incl</i>	68.84	71.00	2.16	2.53
WYD024	45.50	48.93	3.43	3.29	<i>incl</i>	74.00	75.50	1.50	3.35
WYD024	54.50	56.87	2.37	1.41	WYD043	14.50	20.50	5.20	1.54
WYD027	0.00	3.50	3.50	1.42	WYD043	54.00	58.50	3.90	1.25
WYD033	30.50	33.50	3.00	1.16	WYD043	67.50	79.31	10.23	1.92
WYD033	71.00	83.84	12.84	1.03	<i>incl</i>	67.50	70.50	2.60	5.65
WYD034	3.50	6.50	3.00	1.36					

* Results presented are true thickness of the mineralized zone.

Wynamu Hill, located 9 km north of the Main Toroparu deposit, was first identified as an anomalous gold feature during regional geochemical surveys conducted in 2012. Our 2013 geochemistry campaign confirmed the gold anomaly, which forms a NNE-oriented, 1km long by 500m wide feature of continuous 100+ ppb values, including a dozen high values of >500 ppb. Initial air-core test holes drilled in 2014 confirmed the presence of gold in saprolite and the upper layers of bedrock. This was also tested with 14 diamond drill holes in 2016.

The gold mineralization interpretation consists of several parallel gold mineralized lenses with an ENE orientation and dipping 55° to the north. The main lens is situated in the saprolite with a vertical thickness of 60m. The gold mineralization lies within a zone of hydrothermal alteration (carbonate-sericite-pyrite-quartz assemblage) inside which the gold occurrence is related to a more abundant pyrite content and a minor to moderate presence of quartz-carbonate veins, veinlets, fractures, locally even brecciation. Most often, one or a set of low gold grade to barren tonalite dikes are found within or in the vicinity of the mineralization. The host rock is a sequence from intermediate hypabyssal intrusive (diorite, micro-diorite) to a volcano-volcaniclastic whose orientation is NNE, 60° dipping to the west.

Fig. 3: Wynamu Hill -LEAPFROG 3D View



A complete list of gold drill intercepts for boreholes WYD015 through WYD043 can be found in Exhibit 1 to this press release.

Sandspring is evaluating further exploration work at Wynamu Hill, Otomung and other exploration targets within the regional litho-structural and hydrothermal alteration interpretation surrounding Toroparu deposit.

Quality Assurance / Quality Control

The drill program and sampling protocol is managed by Sandspring under the supervision of Pascal Van Osta, P.Ge. The diamond drill holes are drilled at HQ and NQ sizes and core recovery to date has averaged 94%. Half core is cut by rock saw and is generally sampled using 1.5 m meter intervals.

Analytical testing and reporting of quantitative assays for the Sona Hill results reported in this press release was performed independently by Bureau Veritas Mineral Laboratories Vancouver, Canada. Bureau Veritas Commodities Canada Ltd. is an ISO9001: 2008 accredited metallurgical testing laboratory. Gold analyses reported in this release was performed by standard fire assay (FA450) using a 50-gram charge with atomic absorption finish and a gravimetric finish for assays greater than 10 grams per tonne. Samples from the geochemical survey were submitted for analysis of ICP 37 elements (including gold) AQ252 30 gram (Aqua Regia digestion - Ultratrace ICP-MS analyses). A system of blanks, standards and duplicates were added by the Company to the sample streams to verify accuracy and precision of assay results, supplementing a variety of internal QA/QC tests performed by Bureau Veritas Mineral Laboratories. The half core samples were securely transported by Sandspring personnel from the project site to the Bureau Veritas sample preparation facility in Georgetown, Guyana.

Analytical testing and reporting of quantitative assays for the Wynamu Hill results reported in this press release was performed independently by MS Analytical, Langley, British Columbia, Canada. MS Analytical, Langley, British Columbia is an IAS accredited metallurgical testing laboratory. Gold analyses reported in this release was performed by standard fire assay (FAS-121) using a 50-gram charge with atomic absorption finish and a gravimetric finish for assays greater than 10 grams per tonne. Samples from the geochemical survey were submitted for analysis of ICP 51 elements (including gold) IMS-131 20 gram (Aqua Regia digestion - Ultratrace ICP-MS analyses). A system of blanks, standards and duplicates were added by the Company to the sample streams to verify accuracy and precision of assay results, supplementing a variety of internal QA/QC tests performed by MS Analytical Laboratories. The half core samples were securely transported by Sandspring personnel from the project site to the MS Analytical sample preparation facility in Georgetown, Guyana.

Qualified Persons Review

The technical information in this document has been reviewed and approved by Pascal van Osta, P.Geo., Senior Exploration Consultant for Sandspring Resources Ltd., who has experience with the style of mineralization under consideration and is a Qualified Person under National Instrument 43-101.

Settlement of Debt

The Company announces that further to the news release of December 20, 2017, the Company has settled \$432,852 of outstanding indebtedness through the issuance of a total of 1,236,718 units at a price of \$ 0.35 per unit. Each unit will consist of one common share and one share purchase warrant entitling the holder to acquire one additional common share at a price of \$0.50 for a period of five years. The securities issued are subject to a hold period expiring May 24, 2018.

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 Guyana, South America. 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. Sandspring and Silver Wheaton have entered into a gold and silver purchase agreement 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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Neither the 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.

Forward-looking Statements

This news release contains certain forward-looking information and statements within the meaning of applicable securities laws. The use of any of the words “potential”, “suggesting”, “indicating”, “will”, “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: the speculative nature of mineral exploration and development; risks associated with the uncertainty of exploration results and estimates; results from drilling and exploration activities and Sandspring’s ability to identify additional gold mineralization; Sandspring’s ability to successfully advance the Toroparu Gold Project toward feasibility; Sandspring’s future plans; the availability of financing and/or cash flow to fund current and future plans and expenditures; the impact of increasing competition; fluctuating commodity prices; 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.

Exhibit 1. Weighted Average Mineral Intercepts

HoleID	From (m)	To (m)	True Width (m)	Weighted Average Grade Gold (g/t)
SOD112	23.5	26.7	3.2	0.46
SOD113	139.5	145.5	6	0.38
SOD113	193.5	202.5	9	1.35
<i>Incl</i>	194.75	195.74	0.99	5.43
SOD113	222	230	8	1.96
<i>Incl</i>	226.68	230	3.32	3.85
SOD114	193.06	195.45	2.4	2.87
SOD114	217.5	223.5	6	0.75
SOD114	236.84	239.26	2.4	6.41
SOD114	255	261.3	6.3	0.52
SOD114	270	280.5	10.5	0.74
SOD120	29.04	33	3.96	0.85
SOD120	37.59	45.13	7.54	0.86
SOD120	247.5	252.55	5.05	12.07
<i>Incl</i>	249.1	250.34	1.24	48.40
SOD124	136.5	141	4.5	0.69
SOD124	145.5	148.5	3	1.22
SOD125	183.88	187.89	4.01	2.55
<i>Incl</i>	187.04	187.89	0.85	5.51
SOD125	193.5	196.5	3	0.92
SOD127	93	96.51	3.51	2.10
SOD127	109.24	115.5	6.26	3.55
<i>Incl</i>	110.79	111.64	0.85	18.60
SOD127	126.86	131.39	4.53	1.42
<i>Incl</i>	128.97	130.15	1.18	2.71
SOD127	154.5	159	4.5	3.70
<i>Incl</i>	156	157.1	1.1	13.40
SOD127	168	172.5	4.5	1.27
<i>Incl</i>	169.5	171	1.5	2.29
SOD127	189	192	3	0.79
SOD127	202.5	205.5	3	0.66
SOD128	0	20.5	16.79	1.78
<i>Incl</i>	14.5	16	1.23	6.20
SOD128	39.5	44.28	3.92	5.58
<i>Incl</i>	39.5	41.44	1.59	13.10
SOD128	50.64	52.5	1.52	1.52
SOD128	88.5	98.42	8.13	0.50
SOD129	4	20.5	14.95	3.11
<i>Incl</i>	5.5	8.5	4.08	6.38
SOD130	0	7	5.73	0.61
SOD130	16	23.28	5.96	1.07
SOD130	29.5	34	3.69	0.51

Exhibit 1. Weighted Average Mineral Intercepts

HoleID	From (m)	To (m)	True Width (m)	Weighted Average Grade Gold (g/t)
SOD130	47.5	52.62	4.19	3.02
<i>Incl</i>	47.5	50.72	2.64	4.29
SOD130	57	59.64	2.16	2.43
SOD130	65.81	69.72	3.2	1.25
SOD130	121.95	135	10.69	1.68
<i>Incl</i>	126.12	127.7	1.29	6.60
WYD015	53	80	27.00	0.44
<i>incl</i>	75.50	80.00	4.50	1.11
WYD016	31.90	49.40	17.50	0.95
<i>incl</i>	44.00	49.40	5.40	2.42
WYD017	0.00	16.90	16.90	0.84
<i>incl</i>	0.00	3.40	3.40	1.73
WYD019	54.50	57.50	3.00	1.18
WYD020	53	62	9.00	0.42
WYD020	72.5	80	7.50	0.81
WYD020	101.7	102.85	1.15	1.38
WYD020	114.93	120.5	5.57	1.57
WYD020	150.5	158	7.50	0.75
<i>incl</i>	155	155.53	0.53	3.96
WYD022	29	45.5	16.50	1.68
<i>incl</i>	33.5	39.5	6.00	2.77
WYD022	58.38	66.5	8.12	2.47
<i>incl</i>	59	60.5	1.50	7.46
WYD023	27.50	33.50	6.00	0.48
WYD023	117.50	122.00	4.50	1.38
WYD024	45.50	48.93	3.43	3.29
WYD024	54.50	56.87	2.37	1.41
WYD025	36.50	44.00	7.50	0.58
WYD027	0.00	3.50	3.50	1.42
WYD030	26.00	29.00	3.00	0.85
WYD032	78.50	98.00	19.50	0.50
WYD033	30.50	33.50	3.00	1.16
WYD033	71.00	83.84	12.84	1.03
WYD034	0.00	12.50	12.50	0.67
<i>incl</i>	3.50	6.50	3.00	1.36
WYD034	36.50	41.00	4.50	2.30
<i>incl</i>	36.50	38.00	1.50	6.17
WYD035	65.00	71.15	6.15	1.72
<i>incl</i>	68.78	70.40	1.62	4.46
WYD038	81.50	86.00	4.50	0.65
<i>incl</i>	84.50	86.00	1.50	1.13
WYD040	0.00	5.00	5.00	0.60

Exhibit 1. Weighted Average Mineral Intercepts

HoleID	From (m)	To (m)	True Width (m)	Weighted Average Grade Gold (g/t)
WYD040	18.50	29.00	10.50	0.51
WYD040	61.06	65.00	3.94	1.08
<i>incl</i>	63.84	65.00	1.16	2.45
WYD040	68.84	86.00	17.16	1.04
<i>incl</i>	68.84	71.00	2.16	2.53
<i>incl</i>	74.00	75.50	1.50	3.35
WYD043	14.50	20.50	5.20	1.54
WYD043	26.50	34.00	6.50	0.72
WYD043	43.50	52.50	7.79	0.55
WYD043	54.00	58.50	3.90	1.25
WYD043	67.50	79.31	10.23	1.92
<i>incl</i>	67.50	70.50	2.60	5.65