



## **Silver Spruce Executes Offtake Agreement for Potential Future Production from the Pino de Plata Project**

*July 19, 2018 - Bridgewater, NS - (TSXV:SSE) (Frankfurt-S6Q) – Silver Spruce Resources Inc.* ("Silver Spruce" or the "Company") is pleased to announce that it has executed an offtake agreement with IBB International Holdings Limited to deliver the future potential production of precious and base metals from the Pino de Plata 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 agreed to deliver any and all future production from the Pino de Plata project for a period of at least ten years, commencing with the first delivery. The ten-year term of the agreement will automatically extend by successive one-year terms, unless either party expresses written desire to terminate the agreement. The purchase price of the delivered production will be at a three percent (3%) discount to the London Metals Exchange metals pricing on the dates of delivery to the buyer.

“The execution of this unsolicited offtake agreement reinforces our confidence that the potential of the Pino de Plata project may be quite robust. The high grades of silver and base metals mineralization sampled on surface indicate the prospective tenor of grades we anticipate drilling to define significant resources,” stated Karl Boltz, CEO of Silver Spruce. “The term and flexibility of the offtake agreement allows the Company sufficient time to properly develop the potential resource to reserves and to commence production as may be warranted, based on results obtained.”

### **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.

### **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.

### **Santa Elena – Gossan Target**

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.

### **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 IBB International Holdings Limited**

IBB International Holdings Ltd consists of an international group of companies with experience in private banking, private equity, capital raising, venture capital, and corporate advising services. It owns and operates IBB's family of funds across several markets in ASEAN, Africa, and China in sectors including renewable energy, fintech, trade finance, energy efficiency, and food security.

IBB International invests in digital banking underwriting via the Africunia Bank which provides the cryptocurrency, AFCASH, on a worldwide basis.

<http://www.ibbholdings.com/>

### **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.*

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