

# Spruce Ridge Resources Ltd.

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**PRESS RELEASE 2018 - 02**

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## **Spruce Ridge Signs Option and Joint Venture Agreement on Crawford Township Property**

**Puslinch, Ontario – May 8, 2018** – Spruce Ridge Resources Ltd. (TSXV: SHL) (“Spruce Ridge” or the “Company”) is pleased to announce that it has signed an Option and Joint Venture Agreement with Noble Mineral Exploration Inc. (“Noble”) to earn a 75 percent interest in specific target areas having a size of up to 2000 hectares (the “Crawford Property”) in Noble’s 9,000-hectare Crawford Township property, which comprises part of Noble’s ~70,000 hectare Project 81.

The Crawford Property lies approximately 14 kilometres north of Glencore Canada’s world class Kidd Creek zinc-copper-silver mine, currently celebrating its 50<sup>th</sup> year of continuous operation. The property is underexplored and there is a high potential to find another world class mineral deposit.

During the compilation by ORIX Geoscience Inc. over the Crawford property several INCO drill logs with accompanying assays were discovered. One hole intersected a remarkable 433 metres of serpentinized peridotite with continuous nickel mineralization. The hole ended in nickel-bearing peridotite. A second hole drilled approximately 200 metres north east intersected 236 metres of continuous nickel mineralization. A third hole drilled approximately two kilometres intersected 253 metres of continuous nickel mineralization. Nickel grades reported by INCO set out below are historical non NI43-101 compliant:

### **Historical INCO Drill Results from 1966**

<u>Hole Number</u>	<u>From (m)</u>	<u>To (m)</u>	<u>Core Length (m)</u>	<u>Percent Ni</u>
<b>25050</b>	<b>39.62</b>	<b>172.21</b>	<b>132.59</b>	<b>0.34%</b>
	<b>39.62</b>	<b>384.05</b>	<b>344.43</b>	<b>0.28%</b>
	<b>39.62</b>	<b>473.05</b>	<b>433.43</b>	<b>0.25%</b>
	<b>39.62</b>	<b>502.31</b>	<b>462.69</b>	<b>0.25%</b>
<b>27095</b>	<b>37.2</b>	<b>273.4</b>	<b>236.2</b>	<b>0.34%</b>
<b>27064</b>	<b>165.7</b>	<b>419.1</b>	<b>253.4</b>	<b>0.24%</b>
	<b>419.7</b>	<b>470</b>	<b>50.3</b>	<b>0.14%</b>

Because the peridotite is reported to be sheared and serpentinized, there is a reasonable prospect that much of the nickel has been liberated from the original high-temperature silicate minerals and may be present as potentially recoverable nickel-bearing sulphide or metallic minerals. This is the case at the Dumont Nickel-Cobalt deposit in Québec, which has an average grade of 0.27% Ni and 107ppm Co.

The airborne magnetic and EM survey carried out in 2017 for Noble Minerals showed very strong magnetic anomalies over the peridotite bodies on the property, suggesting widespread serpentinization. The magnetic anomaly indicates a minimum 2 km strike extent to the peridotite body which is favorable for a large tonnage, low-grade nickel deposit located close to surface and amenable to low-cost open pit mining methods, very similar to the Dumont Nickel-Cobalt Deposit and Noble's Kingsmill Nickel-Cobalt deposit. The nickel grades reported from the peridotite at Crawford are very close in grade with those at Dumont with some historical intervals assaying up to 0.42% Ni and with no record for having been tested for Cobalt.

## **FIRST OPTION**

To earn 51% undivided interest Spruce must make (i) a payment of \$50,000 within fifteen (15) days of obtaining TSX Venture approval, and (ii) make a second payment of \$50,000 not later than six (6) months after the date of the first payment of \$50,000.

Spruce will issue 3,000,000 Class A common shares within five (5) days of obtaining TSX Venture approval and issue an additional 3,000,000 common shares not later than one (1) year after the date for the first issue of common shares. Spruce will also issue 5,000,000 exercisable warrants within five (5) days of obtaining TSX Venture approval with each such warrant being exercisable at the lowest exercise price as may be permitted by the TSXVE and having a term expiring five (5) years after issuance; and will issue an additional 5,000,000 exercisable warrants not later than one (1) year after the date for the first issue of warrants. with each such warrant being exercisable at the lowest exercise price as may be permitted by the TSXVE and having a term expiring five (5) years after issuance.

Spruce will incur a minimum of \$300,000 of Expenditures in the first year following the Effective Date and an additional \$700,000 no later than the date that is eighteen (18) months following the Effective Date.

## **SECOND OPTION**

Effective after Spruce has earned 51% interest, Spruce can earn an additional 24% undivided interest by issuing 2,000,000 common shares, and by incurring a further \$1,000,000 of qualifying expenditures on or before the third anniversary of the execution of the option agreement.

Once 75% is earned (or 51% should Spruce Ridge elect not to acquire a 75% interest), the Crawford Property will be operated as a participating Joint Venture. The transactions described in the Option and Joint Venture Agreement are subject to the approval of the TSX Venture Exchange.

John Ryan, Spruce Ridge President and CEO commented: *"What drew Spruce to this property originally was that it was underexplored, close to the Kidd Creek mine and had several priority targets from a recently flown EM/Mag survey. What made this acquisition even more appealing was the historical drill results from INCO showing the potential of a large tonnage low grade nickel deposit. The nickel grades reported from the peridotite at Crawford are very close in grade with those at Dumont with some intervals assaying up to 0.42% Ni and we believe that there was never any analysis carried out for Cobalt which in today's environment is very important to the electrification of the automobile industry."*

Vance White, Noble's President and CEO commented: *"We're pleased to welcome the team of experts associated with Spruce Ridge to get this ~70,000 Hectare Project Area back on track as we feel there is a tremendous opportunity to identify mineral wealth on what has been a relatively underexplored project area in close proximity to very satisfactory infrastructure. A number of drill ready targets have already been identified in the 12 townships that comprise this project area. Noble believes that VMS deposits of the Kidd Creek type occur in clusters."*

#### About Spruce Ridge Resources

Spruce Ridge Resources has a 100% interest in the Great Burnt Copper/Gold Property in Central Newfoundland which covers a series of copper ± gold rich VMS deposits including the Great Burnt Main Deposit. Potential high-grade starter pit identified with 237,000 tonnes at 2.51% copper (undiluted) at the Great Burnt Zone. 2016 drilling intersected grades in excess of 19% copper over 3 metres at shallow depths that require follow up. Spruce has an agreement with Anaconda Mining whereby Anaconda acquired from Spruce Ridge the Viking and Kramer gold properties in northwestern Newfoundland. The Viking property is host to the Thor Deposit which has combined Indicated and Inferred resources totaling 83,000 ounces of gold at an average grade of 2.09 and 1.79 g/t Au respectively at a 1.0 g/t Au cutoff. It also has a 50% joint venture with Americas Silver Corporation on property that contains tailings with low grade gold and silver from the Drumlummon Mine in Montana.

Colin Bowdidge, Ph.D, P.Geo., a "Qualified Person" under National Instrument 43-101 has reviewed and approved the technical contents of this press release.

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#### *Cautionary Statement*

***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.*** No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein. The foregoing information may contain forward-looking statements relating to the future performance of Spruce Ridge Resources Ltd. Forward-looking statements, specifically those concerning future performance, are subject to certain risks and uncertainties, and actual results may differ materially from the Company's plans and expectations. These plans, expectations, risks and uncertainties are detailed herein and from time to time in the filings made by the Company with the TSX Venture Exchange and securities regulators. Spruce Ridge Resources Ltd. does not assume any obligation to update or revise its forward-looking statements, whether as a result of new information, future events or otherwise.