

Spruce Ridge Resources Ltd. Announces Binding Letter of Intent with Benton Resources Inc. for Option of Newfoundland Property

Toronto, Ontario – August 17, 2023 – Spruce Ridge Resources Ltd. (“**Spruce**” or the “**Company**”) (TSXV: SHL) is pleased to announce that it has signed a binding letter of intent (the “**LOI**”) with Benton Resources Inc. (“**Benton**”) (TSXV: BEX) to enter into an option agreement (the “**Option Agreement**”) whereby Benton can earn an undivided 70% interest in Spruce’s Great Burnt Copper/Gold Property, comprised of six mineral licenses and one mining lease (the “**Property**”).

Highlights of the Option Agreement

Under the terms of the Option Agreement, Benton can earn a 70% undivided interest in the Property by:

- making a \$40,000 cash payment to Spruce upon receipt of approval of the TSX Venture Exchange (the “**TSXV**”)
- issuing to Spruce 15 million common shares in the capital of Benton (“**Benton Shares**”) as follows:
 - 5,000,000 Benton Shares subject to a four-month regulatory trading restriction;
 - 5,000,000 Benton Shares subject to a four-month regulatory trading restriction plus an additional eight-month voluntary trading restriction; and
 - 5,000,000 Benton Shares subject to a four-month regulatory trading restriction plus an additional twenty-month voluntary trading restriction
- completing \$2.5 million in exploration expenditures on the Property within 36 months of the date of the LOI, of which \$1.0 million must be expended by the first anniversary of the LOI, subject to the right of Benton to accelerate the completion of such expenditures and share issuances.

Once a 70% interest in the Property is earned by Benton, the Property will be operated as a participating joint venture.

Commenting on the LOI, Steve Balch interim President and CEO, explained that “Spruce is very pleased to be partnering with Benton, a well-know exploration company with deep roots in Newfoundland. This agreement forms part of our plan to diversify our property obligations while acquiring additional critical mineral resources through a combination of expertise and leverage of our security portfolio including our 5.7 million common shares of Canada Nickel Company Inc. (TSXV: CNC). We see this as a good time to expand and diversify our asset base.”

The transaction is subject to due diligence by both parties which is ongoing and is subject to approval by the TSXV.

Newfoundland Property Update

Spruce currently holds six mineral licenses (033214M, 033215M, 027013M, 009881M, and 006683M) 020961M that total 616 individual mineral claims (15,525 ha) and one mining lease (211-10210M) totaling 165 ha, all located in central Newfoundland. Previous exploration at Great Burnt has defined a National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* (“**NI 43-101**”) compliant resource of 47.2 Milb Cu at 3.21% (indicated) and 25.0 Milb Cu at 2.35% (inferred). The copper resource remains open to the south and at depth. Exploration at South Pond has identified potential for both copper and gold along several kms of strike with drillhole SP21-01, for example, intersecting 1.69 g/t Au over 51.0 m within 10 m of surface. The mineral claims and the mining lease remain in good standing and are monitored monthly by an independent consulting geologist.

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 news release. No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein.

Stephen J. Balch, P.Geo., the Company's interim President and CEO, a "Qualified Person" under NI 43-101 has reviewed and approved the technical contents of this press release.

This news release contains statements that constitute "forward-looking statements". Forward-looking statements are statements that are not historical facts and include, but are not limited to, disclosure regarding possible events, that are based on assumptions and courses of action, and in certain cases, can be identified by the words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential" and similar expressions, or that events or conditions "will", "would", "may", "could" or "should" occur, or the negative forms of any of these words and other similar expressions. Forward-looking statements include statements related to future plans for the Company, and other forward-looking information. Forward-looking statements are based on various assumptions including with respect to the anticipated actions of securities regulators, stock exchanges, and government entities, management plans and timelines, as well as results of operations, performance, business prospects and opportunities. Although the forward-looking statements contained in this news release are based upon what management of the Company believes are reasonable assumptions on the date of this news release, such assumptions may prove to be incorrect. Forward-looking statements involve known and unknown risks and uncertainties, they should not be read as guarantees of future performance or results, and they will not necessarily be accurate indications of whether or not such results will be achieved. A number of factors could cause actual results, performance or achievements to differ materially from the results discussed in the forward-looking statements, including, but not limited to: the settlement of definitive documentation and receipt of required regulatory approvals; delays arising out of the Company's reliance on the auditor, legal counsel, and management; an inability to develop and successfully implement exploration strategies; general business, economic, competitive, political and social uncertainties; the lack of available capital; impact of COVID-19 or the evolving situation in Ukraine on the business of the Company; and other risks detailed from time-to-time in the Company's ongoing filings with securities regulatory authorities, which filings can be found at www.sedar.com. The Company cannot assure readers that actual results will be consistent with these forward-looking statements. Readers are cautioned not to place undue reliance on forward-looking statements in this press release. These forward-looking statements are made as of the date of this news release and the Company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or otherwise, unless otherwise required by law.

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