

Spruce Ridge Resources Ltd. Announces Regulatory Approval of Option Agreement with Benton Resources Inc. for Newfoundland Property

Toronto, Ontario – September 29, 2023 – Spruce Ridge Resources Ltd. (“**Spruce**” or the “**Company**”) (TSXV: SHL) is pleased to announce that, further to its news release of August 17, 2023, the Company has entered into an option agreement (the “**Option Agreement**”) with Benton Resources Inc. (“**Benton**”) (TSXV: BEX) dated September 20, 2023, pursuant to which Benton has an option to earn an undivided 70% interest in Spruce’s Great Burnt Copper/Gold Property (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; and
- completing \$2.5 million in exploration expenditures on the Property on or before August 15, 2026, of which \$1.0 million must be expended on or before August 15, 2024, subject to the right of Benton to accelerate the completion of such expenditures and share issuances.

Benton has completed the cash payment of \$40,000 and a total of 15 million Benton Shares have been issued to the Company. Once a 70% interest in the Property is earned by Benton, the Property will be operated as a participating joint venture (the “**JV**”). In the event that either party is diluted below a 10% interest in the JV, its interest would convert to a 2% net smelter returns (“**NSR**”) royalty on the Property. Further, the Option Agreement will continue to be subject to certain legacy NSRs, including:

- a 2.0% NSR royalty in favour of Glencore on certain mining leases (in addition, if commercial production commences from this lease, then a cash payment of \$1.0 million or the issuance of common shares representing equivalent value must be made to Glencore); and
- a 0.5% NSR royalty in favour of Pavey Ark on any production from certain mining leases (Pavey Ark will retain a 2.0% NSR royalty on any production from certain mineral exploration licences).

For further details on the Property and the transaction, please see the Company’s news release of August 17, 2023. The transaction is subject to final acceptance by the TSXV.

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.

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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