



Price: July 11 **\$0.035**
52-Week Range: **\$0.06-\$0.015**

Shares O/S: **68.56 million**
Market Cap: **\$2.40 million**

Average Share Volume
50-day: **113,330**
200-day: **179,110**

Fiscal Year-End: **October 31**

Symbol: **TSXV: SSE**

Website:
<https://www.silversprucerresources.com>

Financial Data:

	Actual Year End <u>Oct 31/2018</u>	Actual TTM <u>Apr 30/2019</u>
Balance Sheet		
Cash	8,132	20,347
Other Current Assets	42,240	488,452
Total Assets	1,041,762	508,799
Current Liabilities	468,729	366,956
Working Capital	-\$426,489	\$121,496
Working Capital Ratio	0.09	1.33
Total Equity	-161,680	21,211
Actual Shares O/S	68,561,992	85,930,833
Weighted Average Shares O/S	65,598,288	72,691,086
Statement of Net Profit/(Loss)	12 Months <u>Oct 31/2018</u>	12 Months <u>Apr 30/2019</u>
Non-discretionary OpEx ("Burn")	-394,578	-390,614
Average Monthly Burn	-\$32,882	-\$32,551
Other Operating Expenses	-28,166	-36,202
Non-Operating + Non-Cash Exp.	-276,557	-172,743
Net Profit/(Loss)	-699,301	-599,559
Statement of Cash Flow	12 Months <u>Oct 31/2018</u>	12 Months <u>Apr 30/2019</u>
Cash Flow From Operations	-511,708	-504,637
Capex	0	35,458
Free Cash Flow	-511,708	-469,179
Working Capital Changes	159,800	-63,772
Equity Financing	267,984	519,357
Debt Financing/(Repayment)	53,100	-16,566
Change In Cash	-30,824	-30,160

Source: Company and eResearch

eResearch Analyst:
Bob Weir, B.Sc., B.Comm., CFA

Silver Spruce Resources, Inc.

(TSXV: SSE; OTC: SSEB.F; DB: S6Q1)

Focused on developing its flagship Pino de Plata property in Mexico

COMPANY DESCRIPTION

Silver Spruce Resources Inc. ("Silver Spruce Resources" or the "Company") is a Canadian junior mining exploration company that is focused on developing its epithermal gold/silver Pino de Plata project located in the Sierra Madre Occidental region of western Chihuahua State, Mexico.

Silver Spruce Resources recently executed a key corporate strategy whereby the Company sold its promising copper-zinc-silver-gold Kay Mine in Arizona in order to focus on its flagship Mexican property. The transaction with Croesus Gold Corp. ("Croesus") has one final hurdle to overcome, that being for Croesus to effect a "go-public" transaction, which it plans to do by completing a reverse-take-over deal currently in the works.

The funds from the sale of the Kay Mine will be used by Silver Spruce Resources to reduce its debt and to provide monies for its initial drilling initiative at Pino de Plata. Pino de Plata is strategically located at the western edge of the prolific Sierra Madre Occidental, an area that hosts many producing mines, most notably the Coeur Mining Palmerajo silver-gold complex with significant tonnage.

Silver Spruce Resources is a small company, with a market cap of just \$2.4 million, only 68.56 million shares outstanding, and a 50-day average trading volume of about 110,000-120,000 shares. The shares are unlikely to attract institutional interest, and are suitable primarily for retail investors with a speculative bias.

RECENT ACTIVITY and UPCOMING CATALYSTS

- In June 2019, Silver Spruce Resources announced a non-brokered private placement ("NBPP") of 15 million units at \$0.05/unit (share + warrant) for C\$750,000 to help fund the upcoming drill program at Pino de Plata.
- In spring 2019, the Company completed detailed geologic mapping and sampling at the Pino de Plata project that identified 8 additional drill targets.
- Key results from the spring rock sampling included a 1.5kg rock sample that graded 1,130 g/t Ag (1,278 g/t AgEq including other minerals).
- Silver Spruce Resources holds a permit to drill 30 holes for Phase 1 and Phase 2. For Phase 1, the Company plans 12 holes, totaling between 2000-2500 metres.
- In February 2019, Silver Spruce Resources closed a NBPP for \$434,000 at \$0.025 unit (share + warrant). The proceeds were earmarked for the initial drill program at Pino de Plata.
- In January 2019, the Company announced the sale of the Kay Mine Project to Croesus for US\$450,000 in debt plus accrued interest, C\$100,000 in cash, and a future payment of C\$250,000 in Croesus shares. In May 2019, the Company announced that it had received C\$200,000 in cash and would be receiving a final C\$150,000 in cash, in lieu of Croesus stock, after achieving the exchange listing.

Corporate Strategy

Silver Spruce Resources made a transformational decision in early 2015 to change from being a miner that was focused on uranium to one that is more broadly based with an accent on investigating, identifying, and purchasing various types of mining properties that offer discernible upside potential at reasonable acquisition prices.

The Company's focus has shifted from long-term mining property development, which encompasses exploration, discovery, and, eventually, production. Typically, from start to finish, the mining cycle of identifying a potentially productive property to actually bringing the property into production lasts 9-10 years.

Now, the Company's efforts are considerably shorter term in nature with an emphasis on finding mining properties that are substantially more advanced, which will reach production faster, and, therefore, will provide a quicker return to all stakeholders. This strategy also has the benefit of not requiring the Company constantly to raise capital, a necessity that dilutes shareholders.

To that end, the Company is now totally focused on developing its Pino de Plata property that is located in Mexico.

Investment Considerations

A. Strengths

- The change in the Company's operating emphasis, away from being an early exploration play to one that is focused on developing properties further advanced in the exploration cycle, will shorten the development timetable and allow the Company to bring promising properties into production much sooner.
- Silver Spruce Resources is in the process of selling its entire interest in the Kay Mine in Arizona. This will provide the Company with an opportunity to reduce its debt and give it operating funds to further its drilling program on its Pino de Plata property in mining-friendly Mexico.
- The Company is now solely focused on advancing its significant silver-gold-base metals property, Pino de Plata, in northern Mexico by initiating its drilling activities and working towards completing a NI 43-101 Technical Report with a mineral estimate.
- Pino de Plata is strategically located at the western edge of the prolific Sierra Madre Occidental, an area that hosts many producing mines, most notably the Coeur Mining Palmerajo silver-gold complex with significant tonnage.

B. Challenges

- The Company's market cap is about \$2.4 million, with only 68.56 million shares outstanding and, therefore, not suitable for institutional ownership; fairly illiquid share trading (average 113,300 per day over last 50 days, and 179,110 over the last 200 days).
- Silver Spruce Resources has not yet gained outright ownership of the Pino de Plata property. Formalization of the transaction has been delayed because of access restrictions to the property. Instead of being a Fixed Asset on the Balance Sheet, the transaction is shown as a Current Liability (Property Acquisition Obligation).
- The Company needs to firm up its deposit information at Pino de Plata, and publish a resource estimate for the project.
- Production at its Pino de Plata property is still years away.
- The Company regularly needs financing, and equity financing is often difficult when shares sell for less than \$0.05 each.
- There is operations risk as the Company has just a single property that it is focused on developing.
- There is "key person" management risk as the Company relies heavily on the extensive mining experience of its President/CEO.

Pino De Plata

The Company agreed to acquire a 100% interest in this 397-hectare (980-acre) property in 2015. Further discussions led to revised purchase terms, but the transaction was never formalized and the revised agreement was suspended (not terminated) because of access restrictions to the property.

The revised purchase terms are as follows:

- (a) Cash payment of US\$500,000 to be paid over two years, of which US\$125,000 has been paid;
- (b) 2,500,000 Silver Spruce Resources common shares at C\$0.07 per share, or C\$175,000;
- (c) C\$250,000 worth of Silver Spruce Resources common shares at a formula-determining per share price;
- (d) 3% gross production royalty capped at US\$4 million. This obligation can be purchased for US\$1,333,333 per percentage point, which would be reduced by any advanced royalty payments made (see (e) below); and
- (e) Advanced royalty payments of US\$10,000 per month to begin 30 days after the acquisition is formally completed.

Silver Spruce Resources does not have a carrying value on the asset side of its balance sheet because the transaction has not been completed. However, the Company does show a current liability for the “Property Acquisition Obligation” of C\$32,855. See Financial Information on Page 6 for more details.

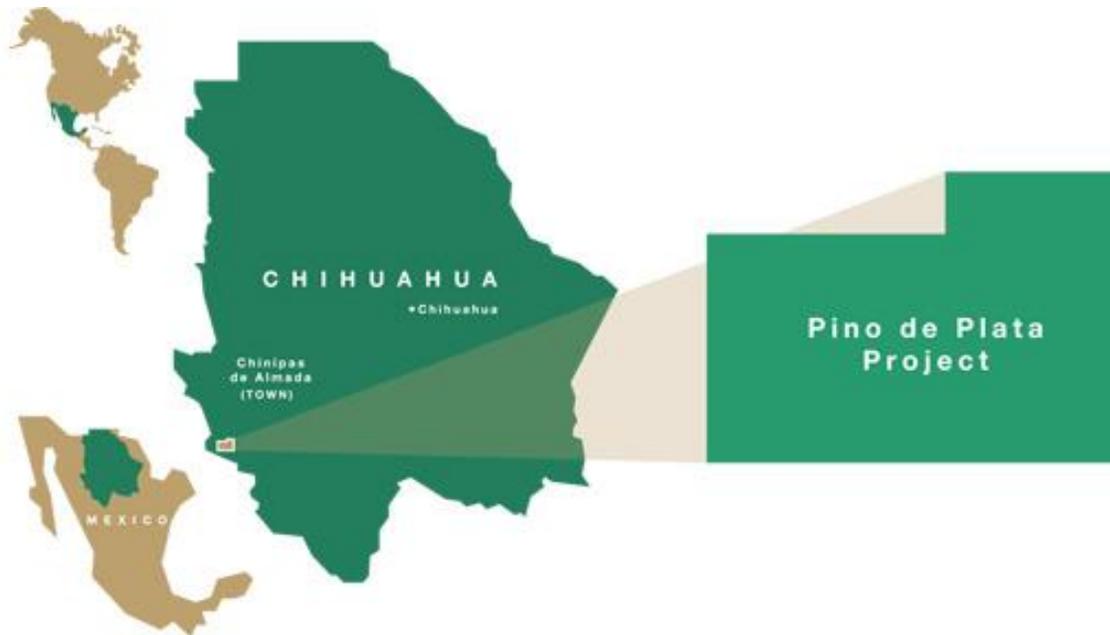
Salient information regarding the Company’s project in Mexico is provided below:

- Mexico is a very mining-friendly jurisdiction; the property is located in the south-west part of the northern state of Chihuahua, and at the western edge of the prolific Sierra Madre Occidental silver-gold belt;
- The Sierra Madre Occidental hosts many producing gold and silver mines that are classified as having epithermal deposits, which often result in the mineralization being hosted in multiple veins, breccias (a type of sedimentary rock that often hosts mineralization), and replacement zones that come from hydrothermal activity. High base metal indications are often associated with high precious metals values in these veins.
- The property is approximately 15km southwest of Coeur Mining’s open pit/underground silver-gold complex with its sizable Proven+Probable tonnage reserves;
- Some historic surface mining at Pino de Plata revealed high levels of silver but little exploration has been conducted in the last 200+ years;
- A recent NI 43-101 exploration assessment report, prepared by the Company, identified three areas for exploration and drilling;
- The Company has embarked on a Phase I exploration program with the goal of defining a mineable resource, capable of lower-cost open-pit mining techniques; and
- The property is located 5-6 km, by a dirt road, south of the town of Chinipas de Almada, which is about 440 km south-west (9-hour drive) of Ciudad Chihuahua. The nearby Chinipas River has several crossings about 7 km south of the town. Crossings would present no difficulties during the dry season, but could prove problematic in the wet season. There is a small, paved airstrip about 1 km north of the town. Labour and supplies are available in Chinipas de Almada. A power-line runs across a corner of the property. There is no rail-line nearby, so transportation will have to rely on the road.

Location of Pino de Plata

Map 1, below, shows the Company's project in Mexico.

Map 1: Location of Pino de Plata, Chihuahua, Mexico



Source: Company

Three Exploration Targets

The Company's on-site field examination and sampling program found widespread epithermal (deposits of minerals formed from warm water at shallow depth) mineralization and, in particular, three target areas worthy of a concerted drilling program.

1. The Terrero Epithermal Target

Comprising an area over 2 hectares (20,000 m³), the sampling indicated good silver grades at surface. The average sampling was a silver grade of 250 g/t (8 oz/ton). The area is well known, and little additional mapping and/or sampling is required prior to instigating the actual drilling program.

2. The Santa Elena Carbonate Replacement Target

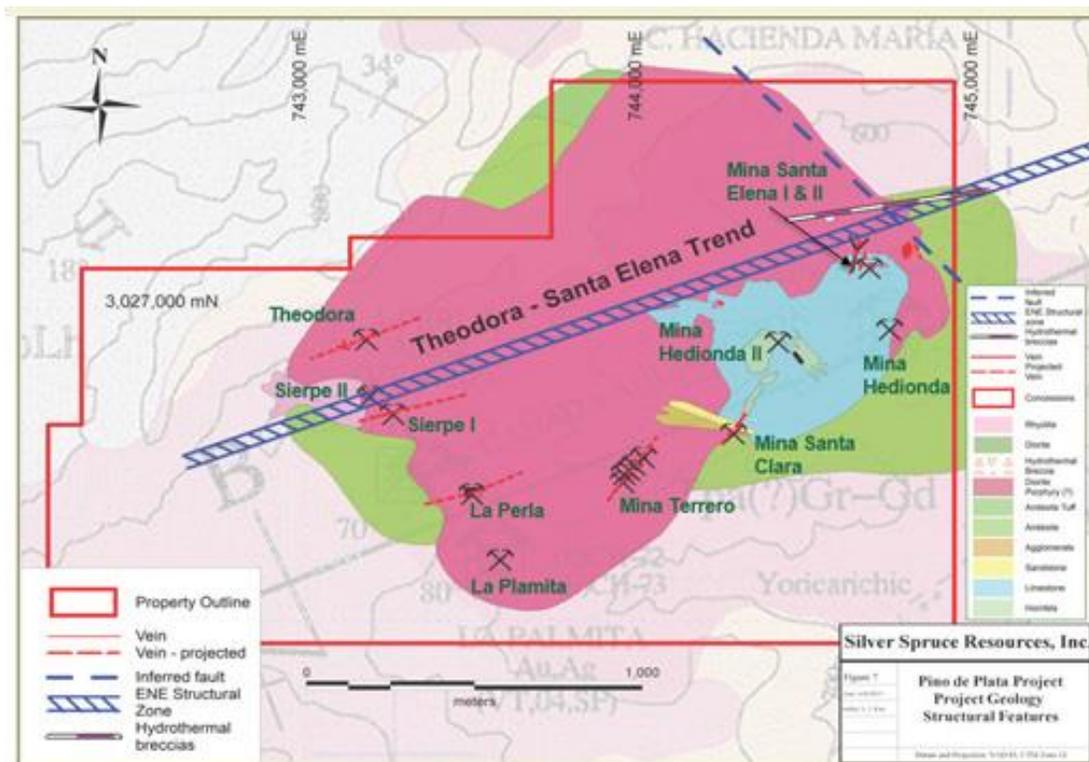
This gossan (rock that is usually the exposed part of an ore deposit or mineral vein) target area provides a viable opportunity for replacement silver-lead-zinc-copper deposits over more than 20 hectares (about 50 acres). The sampled mineralization indicated almost 200 g/t (6.4 oz/t) of silver. There were also good indications of zinc (up to 2%-3%), as well as intermittent gold, copper, and lead.

3. The Sierpe and Theodora Vein Targets

The Sierpe I, Sierpe II, and Theodora vein targets are open on-strike. They showed an average of 250 g/t (8 oz/t) of silver. Vein widths exceeded one metre. There were also good indications of up to 5% lead and up to 7% zinc, with additional gold indications.

Map 2, below, shows the project geology and structural features of the three target areas.

Map 2: Pino de Plata Project Geology/Structural Features



Source: Company

Overview of Pino de Plata

Further information on Pino de Plata can be found on the Company's website <Ctrl-Click> [HERE](#).

Financial Information

Table 1, below, shows the Company's financial statements provided in the eResearch format.

As is typical with junior mining exploration companies, Silver Spruce Resources does not produce a profit and must rely on non-brokered private placements for the necessary funds to carry out its exploration activities.

The Company has agreed to purchase outright the Pino de Plata property but access restriction has delayed the sale. The current present value (PV_{20%}) of the Company's financial obligation is currently C\$32,855 (Current Liability). The items shown in Mineral Properties were primarily land value associated with the Kay Mine.

TABLE 1: SELECTED ANNUAL FINANCIAL INFORMATION

(C\$)	Actual Year End Oct 31/2014	Actual Year End Oct 31/2015	Actual Year End Oct 31/2016	Actual Year End Oct 31/2017	Actual Year End Oct 31/2018	Actual TTM Apr 30/2019	
Statement of Income (Loss)							
General & Administrative ("Burn")	-137,103	-147,219	-401,097	-622,942	-394,578	-390,614	
Exploration & Evaluation Expenses	0	-2,075,569	-494,993	-231,296	-29,918	-34,848	
Other Operating (Expenses)/Income	-107,130	1,907,450	193,621	25,560	1,752	-1,354	
Non-Operating (Expenses)/Income	-9,805	-26,958	-14,460	-26,754	-88,964	-77,821	
Non-Cash Items	-759,814	-1,921,110	1,304,487	-136,999	-187,593	-94,922	
Net Profit/(Loss)	-1,013,852	-2,263,406	587,558	-992,431	-699,301	-599,559	
Total Shares Outstanding	14,025,781	21,135,781	39,620,816	62,807,992	68,561,992	85,930,833	
Weighted Average Shares O/S	11,203,561	16,601,507	28,694,586	47,961,484	65,598,288	72,691,086	
Net Profit/(Loss) Per Share	(\$0.09)	(\$0.14)	\$0.02	(\$0.02)	(\$0.01)	(\$0.01)	
Cash Flow Statement							
Net Profit/(Loss)	-1,013,852	-2,263,406	587,558	-992,431	-699,301	-599,559	
Non-Cash Items	759,814	1,921,110	-1,304,487	136,999	187,593	94,922	
Cash Flow from Operations	-254,038	-342,296	-716,929	-855,432	-511,708	-504,637	
Capital Expenditures (Properties)	-40,507	0	0	-611,787	0	0	
Other Investing Items	6,800	0	4,000	0	0	35,458	
Free Cash Flow	-287,745	-342,296	-712,929	-1,467,219	-511,708	-469,179	
Working Capital Changes	208,022	53,245	-31,235	-2,587	159,800	-63,772	
Cash Flow before Financing	-79,723	-289,051	-744,164	-1,469,806	-351,908	-532,951	
Equity Financing	128,938	183,400	859,316	824,645	267,984	519,357	
Debt Financing	35,000	0	15,000	542,678	53,100	-16,566	
Change in Cash	84,215	-105,651	130,152	-102,483	-30,824	-30,160	
Cash, Beginning of the Period	32,723	116,938	11,287	141,439	38,956	50,507	
Cash, End of the Period	116,938	11,287	141,439	38,956	8,132	20,347	
Balance Sheet							
(C\$)	As at:	Oct 31/2014	Oct 31/2015	Oct 31/2016	Oct 31/2017	Oct 31/2018	Apr 30/2019
Cash and Equivalents		116,938	11,287	141,439	38,956	8,132	20,347
Other Current Assets		35,198	7,509	21,703	111,442	42,240	488,452
Mineral Properties		1,195	1,195	0	1,087,490	991,390	0
Equipment		49,581	9,491	3,712	743	0	0
Investments		338	338	0	0	0	0
Total Assets		203,250	29,820	166,854	1,238,631	1,041,762	508,799
Loans Payable (Current Liability)		74,723	88,973	85,723	592,492	734,713	120,632
Property Acquisition Obligation (Curr Liab)		0	762,000	67,015	32,223	32,855	32,855
Other Current Liabilities		458,252	429,809	223,964	345,898	435,874	334,101
Property Acquisition Obligation (Non-Curr)		0	1,124,000	0	0	0	0
Shareholders' Equity/(Deficiency)		-329,725	-2,374,962	-209,848	268,008	-161,680	21,211
Total Liabilities & Equity		203,250	29,820	166,854	1,238,621	1,041,762	508,799

Source: Company & eResearch

TABLE 2: LIQUIDITY INFORMATION

Table 2, below, shows the components of cash, and including changes in working capital, that are going in and out of the Company's coffers.

(C\$)	Actual	Actual	Actual	Actual	Actual	Actual
	Year End <u>Oct 31/2014</u>	Year End <u>Oct 31/2015</u>	Year End <u>Oct 31/2016</u>	Year End <u>Oct 31/2017</u>	Year End <u>Oct 31/2018</u>	TTM <u>Apr 30/2019</u>
Cash, Beginning of the Period	32,723	116,938	11,287	141,439	38,956	50,507
<u>Additions to Cash</u>						
Equity Financing	128,938	183,400	859,316	824,645	267,984	519,357
Debt Financing	35,000	0	20,000	547,678	58,900	-16,566
Investing Items	6,800	0	4,000	0	0	35,458
Other Items	<u>0</u>	<u>1,907,450</u>	<u>193,621</u>	<u>25,560</u>	<u>1,752</u>	<u>-1,354</u>
TOTAL CASH CONTRIBUTIONS	170,738	2,090,850	1,076,937	1,397,883	328,636	536,895
<u>Subtractions from Cash</u>						
General & Administrative ("Burn")	-137,103	-147,219	-401,097	-622,942	-394,578	-390,614
Capital Expenditures (Properties)	-40,507	0	0	-611,787	0	0
Debt Repayment	0	0	-5,000	-5,000	-5,800	0
Other Items	<u>-116,935</u>	<u>-2,102,527</u>	<u>-509,453</u>	<u>-258,050</u>	<u>-118,882</u>	<u>-112,669</u>
TOTAL CASH SUBTRACTIONS	-294,545	-2,249,746	-915,550	-1,497,779	-519,260	-503,283
DIFFERENCE	-123,807	-158,896	161,387	-99,896	-190,624	33,612
Working Capital Changes	<u>208,022</u>	<u>53,245</u>	<u>-31,235</u>	<u>-2,587</u>	<u>159,800</u>	<u>-63,772</u>
Change in Cash	84,215	-105,651	130,152	-102,483	-30,824	-30,160
Cash, End of the Period	116,938	11,287	141,439	38,956	8,132	20,347

Source: Company & eResearch

TABLE 3: CORPORATE FINANCINGS

Table 3, below, shows all of the financings transacted since the beginning of 2017. The Company announced its latest non-brokered private placement on June 16. The Company hopes to raise C\$750,000.

<u>Date</u>	<u>Units Sold</u>	<u>Unit Price</u>	<u>Unit Proceeds</u>	<u>Each Unit Consists Of:</u>		<u>Warrant Information:</u>	
				<u>1 Common + 1 Warrant</u>		<u>Exercise Price</u>	<u>Warrant Expiry</u>
March 2017	5,768,750	\$0.08	\$461,500	√	√	\$0.12	March 2019
July 2017	2,378,500	\$0.07	\$166,495	√	√	\$0.10	July 2019
October 2017	<u>2,650,000</u>	<u>\$0.05</u>	<u>\$132,500</u>	√	√	<u>\$0.075</u>	<u>October 2019</u>
Total Raise	10,797,250		\$760,495				
	Issue Costs		<u>-\$11,100</u>				
	Net Proceeds		\$749,395				
Warrants Exercised in 2017: <u>Ex. Pr.</u>							
(October)	1,505,000	\$0.05	<u>\$75,250</u>			\$0.05	---
TOTAL 2017			\$824,645				
May 2018	5,754,000	\$0.05	\$287,700	√	√	\$0.06	May 2023
	Issue Costs		<u>-\$19,716</u>				
TOTAL 2018	Net Proceeds		\$267,984				
February 2019	17,368,841	\$0.025	\$434,221	√	√	\$0.05	February 2022
June 2019 (2019 to date)	15,000,000	\$0.05	\$750,000	√	√	\$0.075	June 2022

Source: Company & eResearch

TABLE 4: QUARTERLY FINANCINGS

Table 4, below, shows the corporate financings on a quarterly basis in conjunction with operating expenses and the capex expended that, together, contributed to the need for the financing transactions.

COMMENT: *With capex not being a major item for the Company, raising financing to cover "Burn" and Other Expenses has not been a contentious issue.*

<u>FY2017 - Q1 (End Jan. 31)</u>		<u>FY2017 - Q2 (End Apr. 30)</u>	
Cash, Beginning of Q1	\$141,439	Cash, Beginning of Q2	\$11,317
Admin. "Burn" in Q1	-\$121,436	Admin. "Burn" in Q2	-\$165,476
Op+Non-Op Exp Q1	-\$86,040	Op+Non-Op Exp Q2	-\$126,151
Capex in Q1	\$0	Capex in Q2	\$0
Equity Financing in Q1	\$0	Equity Financing in Q2	\$461,500
Other Financing Q1	\$193,900	Other Financing Q2	-\$171,500
Changes in W.C. Q1	<u>-\$116,546</u>	Changes in W.C. Q2	<u>-\$9,565</u>
Cash, End of Q1	\$11,317	Cash, End of Q2	\$125

<u>FY2017 - Q3 (End July 31)</u>		<u>FY2017 - Q4 (End Oct. 31)</u>	
Cash, Beginning of Q3	\$125	Cash, Beginning of Q4	\$18,074
Admin. "Burn" in Q3	-\$150,289	Admin. "Burn" in Q4	-\$185,741
Op+Non-Op Exp Q3	\$18,544	Op+Non-Op Exp Q4	-\$38,843
Capex in Q3	-\$635,545	Capex in Q4	\$23,758
Equity Financing in Q3	\$166,495	Equity Financing in Q4	\$132,500
Other Financing Q3	\$605,161	Other Financing Q4	-\$20,733
Changes in W.C. Q3	<u>\$13,583</u>	Changes in W.C. Q4	<u>\$109,941</u>
Cash, End of Q3	\$18,074	Cash, End of Q4	\$38,956

<u>FY2018 - Year (End Oct. 31)</u>		
Cash, Beginning of Q1/18	\$38,956	There were no financings in
Admin. "Burn" in FY/18	-\$394,578	Q1, Q2, or Q4 in FY2018
Op+Non-Op Exp FY/18	-\$117,130	
Capex in FY/18	\$0	
Equity Financing in Q3/18	\$287,700	Financing in May 2018 (Q3)
Other Financing FY/18	\$33,384	
Changes in W.C. FY/18	<u>\$159,800</u>	
Cash, End of Q4/18	\$8,132	

<u>FY2019 - Q1 (End Jan. 31)</u>		<u>FY2019 - Q2 (End Apr. 30)</u>	
There were no financings in Q1		Cash, Beginning of Q1	\$8,132
		Admin. "Burn" in Q1/Q2	-\$215,691
		Op+Non-Op Exp Q1/Q2	-\$54,737
		Capex in Q1/Q2	\$0
		Equity Financing in Q2	\$427,633
		Other Financing Q2	\$11,892
		Changes in W.C. Q1/Q2	<u>-\$156,882</u>
		Cash, End of Q2	\$20,347

Source: Company & eResearch

TABLE 5: WARRANTS and OPTIONS, as at April 30, 2019 and Pro Forma June 16, 2019

WARRANTS

<u>Number</u>	<u>Exercise Price</u>	<u>Expiry Date</u>	<u>Status</u>	<u>Potential Equity</u>
2,378,500	\$0.10	25-Jul-2019	Out-of-the-Money	\$237,850
2,650,000	\$0.075	31-Oct-2019	Out-of-the-Money	\$198,750
17,368,841	\$0.05	26-Feb-2022	Out-of-the-Money	\$868,442
15,000,000	\$0.075	2 yrs from closing	Out-of-the-Money	\$1,125,000
<u>5,754,000</u>	\$0.06	7-May-2023	Out-of-the-Money	<u>\$345,240</u>
43,151,341				\$2,775,282

Current Price: \$0.035 (2019-07-11)

OPTIONS

<u>Number</u>	<u>Exercise Price</u>	<u>Expiry Date</u>	<u>Status</u>	<u>Potential Equity</u>
2,900,000	\$0.15	August 2019	Out-of-the-Money	\$435,000
300,000	\$0.15	November 2019	Out-of-the-Money	\$45,000
<u>300,000</u>	\$0.15	June 2020	Out-of-the-Money	<u>\$45,000</u>
3,500,000				\$525,000

Source: Company and eResearch

Stock Chart

The following is a 12-month stock chart.

In the last twelve months, the shares have ranged between \$0.015 and \$0.06.



Source: BigCharts.com

<continued>

Management and Board of Directors

The following information on the Company's management and directors was taken from the Company's website.

Dr. Brian Penney PhD, DIC, P. Eng. **Chairman, Director, and Audit Committee Chairman**

Brian Penney has extensive experience in guiding early stage companies, both as CEO and Chairman. Recent positions include founding CEO of TARA, a Halifax-based Telecoms R&D firm; Chairman and CEO of Abridgean in Halifax; Chairman of Intertainment Media Inc., a TSX-V public company in Toronto; and CEO and Chairman of e-djuster Inc. in Ottawa. He has been a board member of several government and academic-industry boards as well as including the Communications Research Centre and CANARIE. Earlier in his career he held various research and academic positions in physics and in computing science, and worked as a software engineer, system architect, and development manager at Bell Northern Research and other companies in the telecommunications industry. Dr. Penney holds a Ph.D. in high energy nuclear physics from Imperial College of Science & Technology, University of London, and he is a professional engineer.

Karl Boltz **President, CEO, and Director**

Karl Boltz is a natural resources consultant with 15+ years working with public and private companies in Mexico. He is the co-founding President, CEO, and Director of EXMIN Resources Inc. (now Sierra Metals). Fluent in Spanish, Mr. Boltz has worked for, and with, numerous public and private mining companies in Mexico, in various management capacities. Over the past ten years, Mr. Boltz has concentrated on public company creation, project acquisition, funding, market development, and administrative management. Mr. Boltz has provided services to the Company as the General Manager of Mexico Operations since June 2015.

Gordon Barnhill **CFO, Vice-President of Corporate Affairs, and Director**

Gordon Barnhill joined Silver Spruce Resources in 2003, leaving his position as President of a management consultancy focusing on capital research, business evaluations, deal structuring, and investment strategy. Prior to his role as a consultant, Mr. Barnhill worked for 25 years with Canada's largest banking institution, latterly as a senior commercial lending officer.

Art Brown **Director**

Art Brown has over 30 years of business experience. Mr. Brown has served on the board of directors of eight companies, ranging from technology to mineral exploration to oil and gas. He is currently President of Alba Minerals Ltd., a TSX-Venture-listed junior precious metals explorer.

Greg Davison MSc, PGeo **Director**

Greg Davison is a professional consulting exploration geologist, project manager, and ore mineralogist with 42 years of practical field, commercial laboratory, and management experience from diverse geological settings in more than forty countries. Mr. Davison has VMS expertise, from exploration targeting and remote field operations through ore mineralogy and process development. He graduated with an MSc in Geological Sciences from Brock University and an Honours BSc in Geology from Dalhousie University. He is a professional geologist (P.GeO.) licensed with the Association of Professional Geoscientists of Ontario and the Association of Professional Engineers & Geoscientists of British Columbia.

Kevin O'Connor **Director**

Kevin O'Connor is a corporate attorney based in Chicago, IL. Currently, he is General Counsel of Asia Pacific for Navstar Inc. His expertise is focussed on M&A, joint ventures, and divestitures. He is fluent in Mandarin, Chinese

Shareholdings

Officers and Directors own or control, directly or indirectly, approximately 10% of the issued and outstanding common shares of the Company, and have rights to acquire an additional 5%. There is no other known shareholder, or group of shareholders, with more than the required admission holding of 10.0%.

Corporate Information

Head Office:
197 Dufferin Street
Suite 312
Bridgewater, Nova Scotia
B4V 2G9

Phone: (902) 527-5700
Fax: (902) 527-5711

info@silverspruceresources.com

www.silverspruceresources.com



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ANALYST ACCREDITATION

eResearch Analyst on this Report: Bob Weir, B.Sc., B.Comm., CFA

Analyst Affirmation: I, Bob Weir, hereby state that, at the time of issuance of this research report, I do not own shares of Silver Spruce Resources Inc.

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