



Gold Springs Resource Corp. files 2020 Financial Statements, MD&A and Annual Information Form

March 26, 2021, Vancouver, British Columbia— Gold Springs Resource Corp. (TSX: GRC, OTCQB: GRCAF) (the “Company”), reports the release of its audited consolidated financial statements for the year ended December 31, 2020, the related management’s discussion and analysis of financial position and results of operations (“MD&A”) and the annual information form (“AIF”). In this press release, all amounts are expressed in U.S. dollars, unless otherwise indicated.

As at December 31, 2020, the Company had a working capital of \$1.87 million including \$1.60 million in cash.

During 2020, general and administrative expenses, excluding non-cash share-based payments, decreased to \$0.97 million from \$1.26 million during the year ended December 31, 2019.

Exploration spending during the year ended December 31, 2020, increased to \$1.30 million from \$0.79 million incurred in the year ended December 31, 2019. Principal activities conducted at the Gold Springs project during 2020 revolved around the development of new and existing drill target areas, including extensive rock-chip surface sampling, a geophysical (“CSAMT”) survey, and structural and geological mapping. During 2020, the Company also made the project ready for the restart of drilling by building drill pads and roads to be used in the 2021 drill program and by completing an archaeological survey required to secure drill-permits. In addition, in 2020 the Company updated the NI 43-101 mineral resource estimate (“the 2020 Resource”) and preliminary economic assessment (“2020 PEA”) on the Gold Springs project (refer to News Release of June 19, 2020).

The 2021 drill-program started on March 8, 2021 (refer to News Release of March 8, 2021) and includes 10,000 metres of reverse-circulation drilling which is approximately ¼ of the total number of meters drilled at the Gold Springs project to date.

The Company reported a net loss of \$1.35 million (\$0.01 loss per share) for the year ended December 31, 2020, compared with a net loss of \$11.80 million (\$0.05 loss per share) for the year ended December 31, 2019. In 2020 the Company recognized a non-cash loss of \$0.44 million (2019 - \$0.10 million) for its equity investment in World Copper Ltd. (WCU:TSXV). In 2019 the Company incurred a non-cash write-down loss of \$13.47 million related to the sale of the Escalones property which more than offset income in 2019 of \$3.31 million from the change in fair value of arbitration award assets and liabilities and Class B shares resulting from the 2019 settlement of the arbitration with Bolivia.

Outlook

The Company’s focus is on the exploration and expansion of the mineral resources at its Gold Springs project in Nevada and Utah, USA.

About Gold Springs Resource Corp.

Gold Springs Resource Corp. (TSX: GRC and OTCQB: GRCAF) is a growth-focused gold exploration company creating value through the exploration and development of the Gold Springs project in Nevada and Utah, U.S.A. Management has extensive experience in global exploration and the mining industry.

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Forward Looking Statements

Certain statements contained herein constitute “forward-looking information” under applicable Canadian securities laws (“forward-looking statements”). Forward-looking statements look into the future and provide an opinion as to the effect of certain events and trends on the business. Forward-looking statements may include words such as “believe”, “continue”, “will”, “should”, and similar expressions. These forward-looking statements are based on current expectations and entail various risks and uncertainties. Actual results may materially differ from expectations if known and unknown risks or uncertainties affect our business or if our estimates or assumptions prove inaccurate. Factors that could cause results or events to differ materially from current expectations expressed or implied by the forward-looking statements, include, but are not limited to, risks of the mineral exploration industry which may affect the advancement of the Gold Springs project, including possible variations in mineral resources, grade, recovery rates, metal prices, capital and operating costs, and the application of taxes; availability of sufficient financing to fund planned or further required work in a timely manner and on acceptable terms; availability of equipment and qualified personnel, failure of equipment or processes to operate as anticipated, changes in project parameters, including water requirements for operations, as plans continue to be refined; regulatory, environmental and other risks of the mining industry more fully described in the Company’s Annual Information Form and continuous disclosure documents, which are available on SEDAR at www.sedar.com. The assumptions made in developing the forward-looking statements include: the accuracy of current resource estimates and the interpretation of drill, metallurgical testing and other exploration results; the continuing support for mining by local governments in Nevada and Utah; the availability of equipment and qualified personnel to advance the Gold Springs project; execution of the Company’s existing plans and further exploration and development programs for Gold Springs, which may change due to changes in the views of the Company or if new information arises which makes it prudent to change such plans or programs.

Readers are cautioned not to place undue reliance on the forward-looking statements contained in this press release. Except as required by law, the Company assumes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or any other reason. Unless otherwise indicated, forward-looking statements in this press release describe the Company’s expectations as of the date hereof.