

Spruce Ridge Resources Ltd.

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PRESS RELEASE 2006 - 08

December 5, 2006

SPRUCE RIDGE RESOURCES LTD. ANNOUNCES COMPLETION OF \$4,500,000 PRIVATE PLACEMENT FINANCING & ANNOUNCES FURTHER PROPOSED PRIVATE PLACEMENT FINANCING OF UP TO \$1,000,000

NORFOLK COUNTY, Ontario: John A. Ryan, President of Spruce Ridge Resources Ltd. (TSXV: SHL), is pleased to announce completion of a private placement in the amount of \$4,500,000 as announced on November 8, 2006.

The private placement consisted of the sale of 5,625,000 Units at a price of \$0.80 per Unit for gross proceeds of \$4,500,000. Each Unit consisted of one common share and one-half of one common share purchase warrant. Each whole warrant entitles the holder to acquire one additional common share of the Company at \$1.20 for a period of two years from the date of closing (the "Warrant Term"). If during the Warrant Term the Common Shares of the Company trade at or above Can. \$1.50 for a period of 20 consecutive trading days, the Company may notify the warrant holder to exercise the warrants at a date no later than 30 calendar days after this notification date or forfeit any unexercised warrants at that time. All securities issued in conjunction with the offering are subject to a four-month hold period, which expires on April 5, 2007. In conjunction with this financing, cash finders' fees totaling \$360,000 (9.0% on \$4,000,000 of the gross proceeds) were paid, and compensation warrants were issued to acquire a total of 500,000 common shares (10% of 5,000,000 of the Units sold) on the same terms as the common share purchase warrants which form part of the Units.

Proceeds of the financing will be used for exploration on the North Brook uranium property in the Deer Lake Basin, Newfoundland, and for general working capital purposes.

Spruce Ridge announces a further proposed non-brokered financing of up to 1,041,667 Units at a price of \$0.96 per Unit for gross proceeds of \$1,000,000 subject to regulatory approval. Each Unit will consist of one common share and one-half of one common share purchase warrant. Each whole warrant will entitle the holder to acquire one additional common share of the Company at \$1.20 for a period of two years from the date of closing (the "Warrant Term"). If during the Warrant Term the Common Shares of the Company trade at or above Can. \$1.50 for a period of 20 consecutive trading days, the Company may notify the warrant holder to exercise the warrants at a date no later than 30 calendar days after this notification date or forfeit any unexercised warrants at that time. All securities issued in conjunction with the offering will be subject to a four-month hold period. Proceeds of the proposed financing will also be used for exploration on the North Brook uranium property in the Deer Lake Basin, Newfoundland, and for general working capital purposes. The private placement is

expected to close on or about December 11, 2006, subject to the receipt of all regulatory and stock exchange approvals and other customary terms and conditions.

About Spruce Ridge Resources Ltd.

The Company is a mineral exploration company focused on the acquisition, exploration, and development of mineral resources, primarily uranium, gold and base metals.

For more information, please contact:

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The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release.