Monarca Minerals Reports Final Drill Hole Assays from Phase 1 Exploration Drilling at San Jose Project - Including Significant Molybdenum & Copper Values

14.12.2021 | Newsfile

Toronto, December 14, 2021 - Monarca Minerals Inc. (TSXV: MMN) ("Monarca" or the "Company") is pleased to announce that it has received final assays for the last eight drill holes from its Phase 1 San Jose exploration drilling program. The assay results are summarized below in Table 1 and indicate significant Au, Ag, Cu, Pb, Zn and Mo mineralization. Significant Cu and Mo mineralization occurs in some drill holes, hosted in potassically and endoskarn altered intrusives.

Michael R. Smith, Monarca's Senior VP of Exploration commented, "We are pleased with the results of the Phase 1 drilling program at the San Jose project. The drilling indicates that the property has significant exploration potential, especially to the west of the areas drilled to date. The area to the west has mineralized intrusives at depth, which have long anomalous Au and Cu intercepts, overlain by strongly altered limestone, which has not yet been drilled from above. There is potential for skarn development at the un-drilled intrusive/limestone contact and Cu and Mo mineralization in altered intrusive rocks".

All of the last eight drill holes were drilled at angles ranging from 45° to 60°, to cross contacts between limestone and intrusives, where skarn mineralization occurs. Downhole surveys were completed for all of the drill holes. The drill holes ranged from 152.4 m to 408.4 m of total depth.

Mineralization has been intersected in exoskarn and endoskarn and silicified intrusives, which are locally potassically altered with shreddy biotite and potassium feldspar. The area to the west of the completed drilling, where there is potential for skarn mineralization at the contact between mineralized intrusives and overlying dolomitized limestone (Figure 1), is the site of the largest IP anomaly in the project area, which remains un-drilled from above where the dolomitized limestone outcrops (Figures 2 and 3). The mineralized intrusives have long intercepts of anomalous Au and Cu assays, indicating potential for metalliferous skarn mineralization along the limestone/intrusive contact. Locally associated with Cu mineralization are Mo grades up to 0.22% and 0.17%, as in drill holes SJ07 and SJ02, respectively.

Figure 1: SJ08 Cross Section Indicating Mineralized Intrusives and Overlying Skarn Potential

To view an enhanced version of Figure 1, please visit:
https://orders.newsfilecorp.com/files/2584/107559_bf9143a9a4f30bd2_001full.jpg

Table 1: Significant Drill Assay Results

Note: True widths are unknown at this time due to insufficient drilling. Feet to meter rounding may produce decimal variances.

To view an enhanced version of Table 1, please visit:
https://orders.newsfilecorp.com/files/2584/107559_bf9143a9a4f30bd2_002full.jpg

Figure 2: Drilling IP Geophysical Targets & SJ08 Cross Section Location

To view an enhanced version of Figure 2, please visit:
https://orders.newsfilecorp.com/files/2584/107559_bf9143a9a4f30bd2_003full.jpgN

Figure 3: Map of the Property and Primary Exploration and Geophysical Survey Area

To view an enhanced version of Figure 3, please visit:
https://orders.newsfilecorp.com/files/2584/107559_bf9143a9a4f30bd2_006full.jpg:

Drill Hole Summaries From Recent Assay Results

SJ02 - Drill hole SJ02 is located at the same location as SJ11 and was angled westerly. It intersected 1.5 m at 1.02 % Cu, with 0.20 grams/tonne (g/t) Au and 0.17 % Mo, hosted in potassically altered biotite porphyry. The drill hole intersected long anomalous mineralized intervals in silicified biotite porphyry, endoskarn and exoskarn, with 265.2 m at 0.02 g/t Au (at ≥0.005 g/t) and 50.3 m at 0.21 % Cu (at ≥ 0.1 %). Strongly dolomitized limestone outcrops above the intrusive, which provides potential for skarn mineralization.

SJ04 - Drill hole SJ04 was drilled at the same location as drill hole SJ01, which as reported earlier had an intercept of 3.0 m at 4.07 ppm Au, with 0.23 % Pb and 0.49 % Zn. Drill hole SJ04 was angled north-easterly, to intersect the same mineralization, without success. SJ04 intersected 38.1 m of anomalous Au mineralization, at 0.01 g/t. The current geological analysis underway will provide data to resolve the potential geometry of the mineralization discovered in SJ01.

SJ05 - Drill hole SJ05 was angled north-westerly into the east side of a large IP anomaly, near the Buho mine. It intersected 4.6 m at 0.94 % Cu with 0.3 g/t Au and 1.5 m at 0.42 g/t Au with 0.21% Cu. Long intercepts of anomalous Au mineralization, 246.9 m at 0.05 g/t, were intersected, along with 68.6 m at 0.3 % Cu of anomalous Cu mineralization. Much of the anomalous mineralization is in intrusive rocks, with silicification and endoskarn, which are overlain by strongly dolomitized limestone, providing a target for skarn mineralization at the contact.

SJ06 - Drill hole SJ06 was collared from the same location as SJ05, but angled westerly into a large IP anomaly. It intersected 1.5 m at 0.94 % Cu and 0.30 g/t Au. It also intersected long intervals of anomalous Au and Cu mineralization in exoskarn and altered intrusives, with 300.2 m at 0.03 g/t Au and 41.1 m at 0.16% Cu. The intrusive/limestone contact to the west and above the mineralized intrusive provides a target for skarn mineralization.

SJ07 - Drill hole SJ07 was angled westerly to target a mineralized shear zone and IP anomaly. It intersected 1.5 m at 0.28 g/t Au. It also intersected 1.5 m at 0.22 % Mo, hosted in endoskarn with potassic alteration in biotite porphyry, along with trace amounts of Cu and Au. It also intersected a long interval of anomalous Au mineralization in altered intrusives, with 243.8 m at 0.02 g/t Au.

SJ09 - Drill hole SJ09 was angled westerly to target an IP anomaly, in an area of altered intrusives and limestone, with IP anomalies. It intersected 266.7 m at 0.01 g/t Au and 24.4 m at 0.20 % Zn. The anomalous mineralization occurs in silicified intrusive rocks with localized endoskarn and exoskarn. Dolomitized limestone outcrops to the west, in the area of a strong IP anomaly, which has not been drilled from above, where skarn might occur at limestone/intrusive contacts.

SJ13 - Drill hole SJ13 was drilled at the same location as drill hole SJ01, which as reported earlier had an intercept of 3.0 m at 4.07 ppm Au, with 0.23 % Pb and 0.49 % Zn. Drill hole SJ013 was angled south-easterly, to intersect the same mineralization at a higher elevation, without success. SJ13 intersected

106.7 m of anomalous Au mineralization, at 0.01 g/t. The current geological analysis underway will provide data to resolve the potential geometry of the mineralization discovered in SJ01.

SJ14 - Drill hole SJ14 was angled south-westerly to intersect a strong IP anomaly, at the contact between altered intrusive rocks and limestone. It intersected intervals of anomalous Au mineralization, with 56.4 m at 0.01 g/t. The mineralization is hosted in altered intrusives and limestone, with localized skarn.

Table 2: Drill Hole Collar Locations w/ Handheld GPS Instrument (DATUM WGS84)

Drill Hole Number	UTM E	UTM N	Vertical Elevation m	Total Depth m
SJ01	226965.471	3495017.74	1395	140.2
SJ02	226571.317	3496172.71	1354	292.6
SJ03	227036.207	3495557.66	1367	329.2
SJ04	226968.245	3495018.44	1314	152.4
SJ05	226507.532	3496571.79	1289	313.9
SJ06	226513.236	3496561.1	1289	339.9
SJ07	226683.338	3496583.92	1245	317.0
SJ08	226572.099	3496530.59	1267	355.1
SJ09	226486.395	3497179.28	1308	408.4
SJ10	227031.099	3495981.27	1348	352.0
SJ11	226571.688	3496172.37	1368	259.1
SJ12	226554.422	3496368.14	1366	342.9
SJ13	226966.671	3495016.37	1315	371.9
SJ14	227104.133	3496167.9	1309	317.0
SJ15	227060.824	3495774.74	1362	349.0

Quality Assurance and Quality Control Statement

Procedures have been implemented by Monarca to assure Quality Assurance Quality Control (QAQC) of all assaying that was done at an ISO Accredited laboratory. Drill hole samples are collected at the drill rig and are riffle or rotary split, disposing of 1/4 or 1/2 of the sample, resulting in the collection of two samples; one for the assay laboratory and one as a duplicate. The samples are then stored securely prior to shipment by the assay lab from site to the laboratory in Chihuahua city. A sterile blank sample (un-mineralized basalt) and a mineralized reference standard (used by Monarca since 2009) are alternately placed in the sample sequence every 20th sample. The assays received for the QAQC samples have been reviewed for acceptable values by Monarca's Qualified Person. Drillhole collar locations were measured with a Handheld GPS instrument, using the UTM DATUM WGS84 Coordinate System, which provides location within about 2m (Table 2: Drill Hole Collar Locations w/ Handheld GPS Instrument).

Qualified Person Statement

Michael R. Smith is the Qualified Person (QP) who has prepared and approved the scientific and technical information disclosed in this news release. Mr. Smith is a Registered Member (#04167376 - Geology) of the Society for Mining, Metallurgy & Exploration (SME) and is the Executive Vice President - Exploration for Monarca Minerals Inc.

About Monarca Minerals Inc.

Monarca is a Canadian mining company listed on the TSX Venture Exchange (TSXV:MMN) and focused on the exploration and development of silver projects along a highly productive mineralized belt in Mexico. The Company has a portfolio of silver projects including an Inferred Mineral Resource of 19.8 million tonnes at 45.0 g/t Ag (28.7 million ounces of contained silver) at its Tejamen deposit in Durango, Mexico. NI 43-101 Technical Report on Resources, Tejamen Silver Property, Durango State, Mexico, prepared by Gustavson Associates on February 2, 2016.

For further information, please contact:

Carlos Espinosa
President, CEO & Director
Monarca Minerals Inc.
E: cespinosa@slgmexico.com

Cautionary Note Regarding Forward-Looking Statements Forward-Looking Statements:

The above contains forward-looking statements that are subject to a number of known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in our forward-looking statements. Factors that could cause such differences include: changes in world commodity markets, equity markets, costs and supply of materials relevant to the mining industry, change in government and changes to regulations affecting the mining industry. Forward-looking statements in this release include statements regarding future exploration programs, operation plans, geological interpretations, mineral tenure issues and mineral recovery processes. Although we believe the expectations reflected in our forward-looking statements are reasonable, results may vary, and we cannot guarantee future results, levels of activity, performance or achievements.

Neither the TSX Venture Exchange nor its Regulation Service Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

/NOT FOR DISTRIBUTION TO UNITED STATES WIRE SERVICES OR DISSEMINATION IN THE UNITED STATES/

To view the source version of this press release, please visit https://www.newsfilecorp.com/release/107559