



Monarca Closes Oversubscribed C\$3.0 Million Private Placement, including a Lead Order from Palisades Goldcorp

Toronto, Ontario, August 20, 2020 – Monarca Minerals Inc. (TSXV:MMN) (“**Monarca**” or the “**Company**”) is pleased to announce it has closed the previously announced non-brokered private placement of units of the Company (the “**Units**”) for gross proceeds of C\$3,000,000 (the “**Offering**”). The Company issued a total of 60,000,000 Units of the Company at a price of C\$0.05. Red Cloud Securities Inc. acted as a finder in connection with the Offering.

Each Unit consisted of one common share of the Company (each a “**Common Share**”) and one common share purchase warrant (each a “**Warrant**”). Each Warrant will be exercisable by the holder thereof to acquire one Common Share at a price of C\$0.075 at any time on for a period of 24 months from closing. Proceeds from the Offering will be used for exploration of the Company’s San Jose Project and for general corporate and working capital purposes.

In connection with the Offering, the Company paid aggregate finders' fees of C\$212,000 in cash and 4,240,000 finders warrants. Each finders warrant entitles the holder to acquire one common share at an exercise price of C\$0.05 until August 20, 2022.

[President and CEO Carlos Espinosa stated, "We are pleased to welcome a number of experienced mining investors to Monarca through this placement including a lead order from Palisades Goldcorp Ltd. alongside other new institutional investors. The additional funding will enable Monarca to conduct a 10,000m drill program at our San Jose project in Chihuahua State, Mexico where we've identified several high priority geophysical targets."]

All securities issued pursuant to the Offering are subject to a statutory hold period of four months and one day in accordance with applicable securities laws expiring on December [20], 2020.

The securities described herein have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or any state securities laws, and accordingly, may not be offered or sold within the United States except in compliance with the registration requirements of the U.S. Securities Act and applicable state securities requirements or pursuant to exemptions therefrom. This press release does not constitute an offer to sell or a solicitation to buy any securities in any jurisdiction.

About Palisades Goldcorp

Palisades Goldcorp is Canada's new resource focused merchant bank. Palisades' management team has a demonstrated track record of making money and is backed by many of the industry's most notable financiers. With junior resource equities valued at generational lows, management believes the sector is on the cusp of a major bull market move. Palisades is positioning itself with significant stakes in undervalued companies and assets with the goal of generating superior returns.

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 the San Jose Project in Chihuahua, Mexico near the U.S. border and the Tejaman Project in Durango, Mexico, which hosts an inferred mineral resource estimate of 19.8 million tonnes at 45.0 g/t Ag (28.7 million ounces of contained silver).

For further information, please contact:

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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.

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