



MONARCA MINERALS
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TEJAMEN PROJECT

Technical Data

June 25, 2019

FORWARD LOOKING STATEMENT

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Technical Information and Qualified Person Statement:

All historical resource estimates, preliminary economic assessment (PEA), production data, drilling or sampling figures ("Technical Information") quoted herein are based on prior data and NI 43-101 technical reports prepared by previous operators or adjacent property holders. Monarca Minerals has not verified this technical information and this information is not necessarily indicative of the mineralization potential on Monarca's properties discussed herein. All historical information disclosed should not be relied upon and has not been verified by a Qualified Person.

All scientific and technical information contained in this presentation has been reviewed and approved by Michael R. Smith, a Qualified Person under the meaning of NI 43-101.

TEJAMEN OVERVIEW

- ❖ NI 43-101 Resource Estimate completed by Gustavson Associates in February 2016
- ❖ Inferred Resource of 19.8 million tonnes @ 45 g/t Ag (15ppm cutoff) resulting in 28.7 million contained ounces of Ag
- ❖ 215 RC holes (36,139m) and 10 core holes were drilled between 2003 and 2008
- ❖ Indications of un-assessed Pb and Zn values, potentially equal to Ag value
- ❖ Significant Exploration Upside in High-Grade Feeder Veins (up to 2.0m at 1,355ppm Ag, MMT-150, 134-136m depth)
- ❖ Potential exists for Pitarrilla-style mineralization under the volcanic rocks which host the mineralization

TEJAMEN: 2016 RESOURCE ESTIMATE

Key silver valuation component:

- ❖ Monarca owns 100% mineral rights and surface access in progress
- ❖ Inferred Resource of 19.8 million tonnes @ 45 g/t Ag (15ppm cutoff) resulting in 28.7 million contained ounces of Ag; completed by Gustavson Associates in accordance with CIM 2014 and NI 43-101 standards
- ❖ 215 RC holes (36,139m) and 10 core holes drilled between 2003 and 2008
- ❖ Los Mantos remains open to the south, east and at depth in high grade veins
- ❖ Significant exploration upside in feeder veins beneath both Los Mantos and Cerro Prieto deposits, grades of to 6m of 1,400ppm Ag, with about 5% Pb + Zn

Los Mantos Area



View looking easterly: showing gentle relief in the deposit area

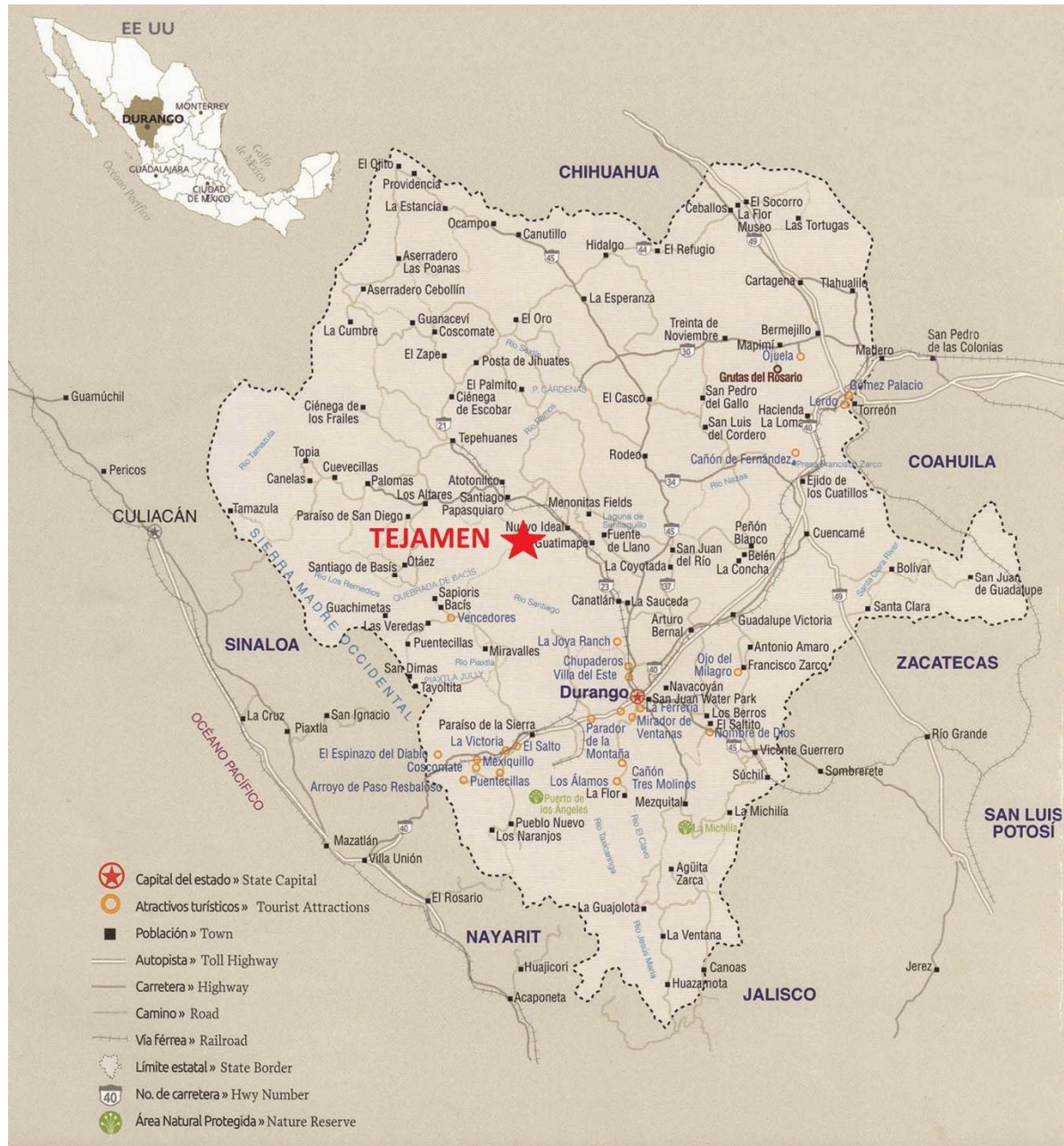
TEJAMEN SITE CONDITIONS

- ❖ 100% ownership of Tejamen project mining concessions.
- ❖ 1,685ha in 23 mining concessions.
- ❖ Close to infrastructure and easy topography.
- ❖ New pro-mining government at local and state level.
- ❖ Active support from governmental authorities to help establish community relationship.
- ❖ Focus on access for confirmation and exploration drilling.

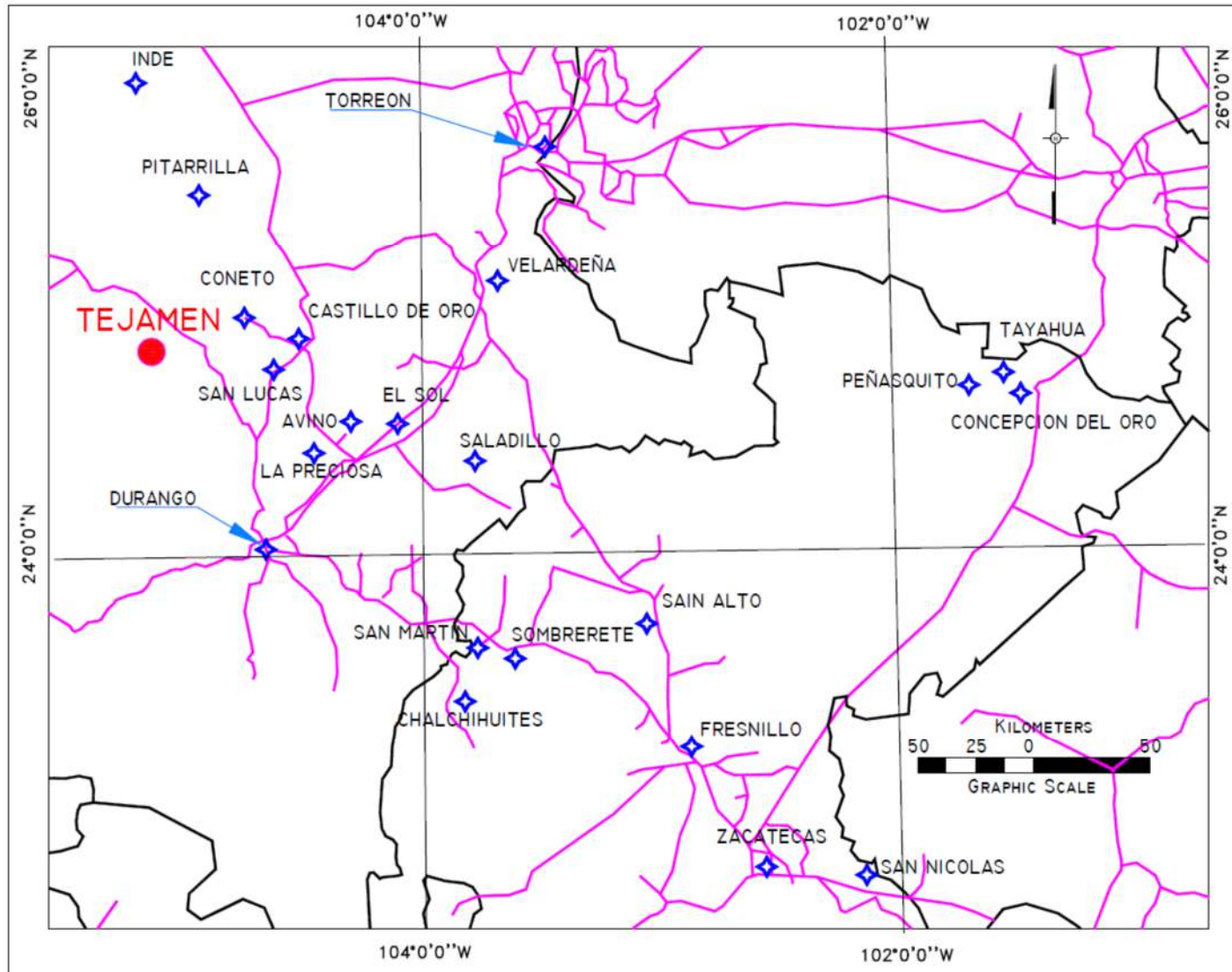
TEJAMEN GENERAL LOCATION



TEJAMEN GENERAL LOCATION



TEJAMEN LOCATION IN STATE OF DURANGO



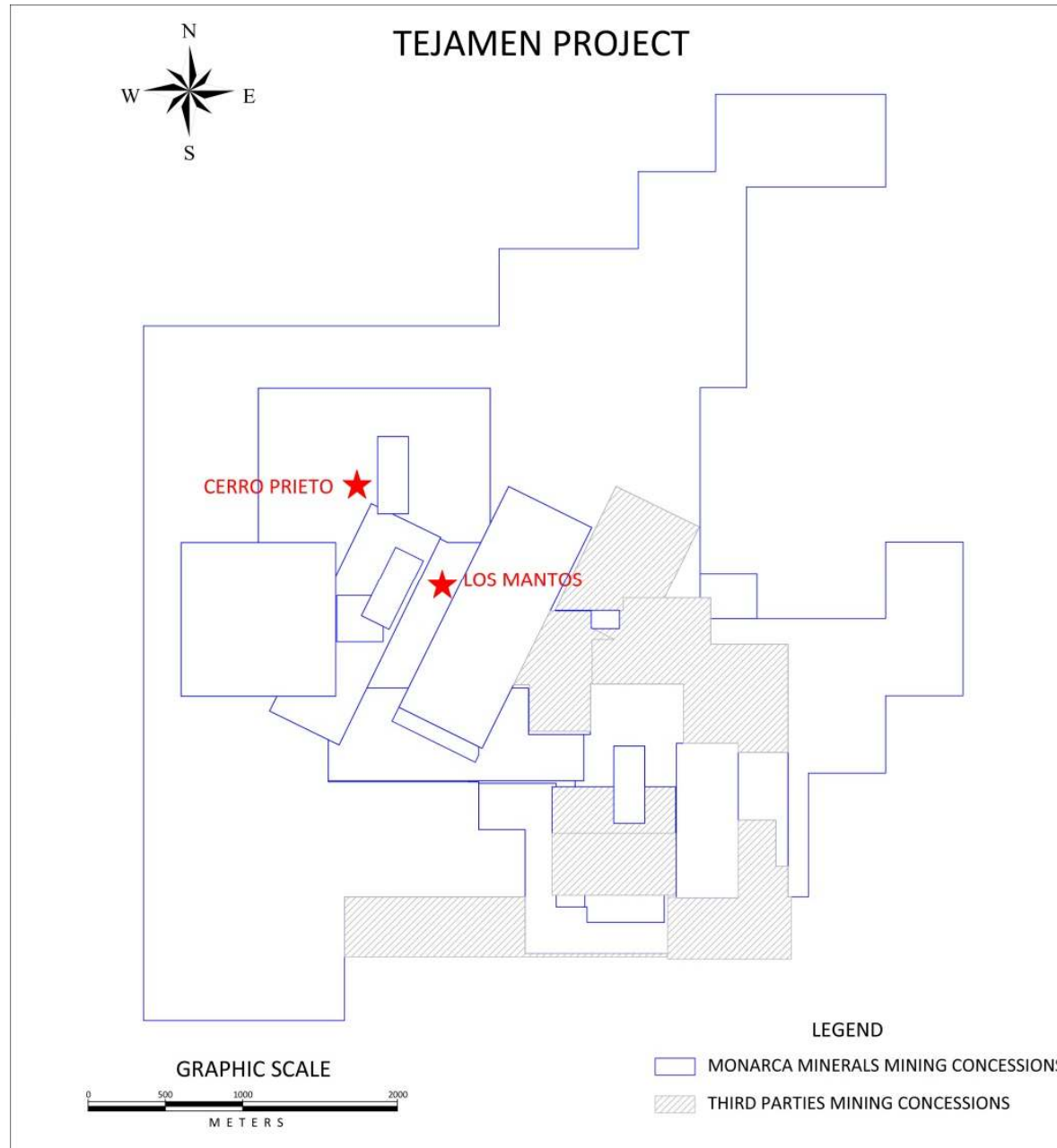
Tejamen is located 10km SW of the town of Nuevo Ideal, via maintained level gravel road. Line power runs to Nuevo Ideal and Tejamen. Abundant groundwater available.

LOS MANTOS AREA

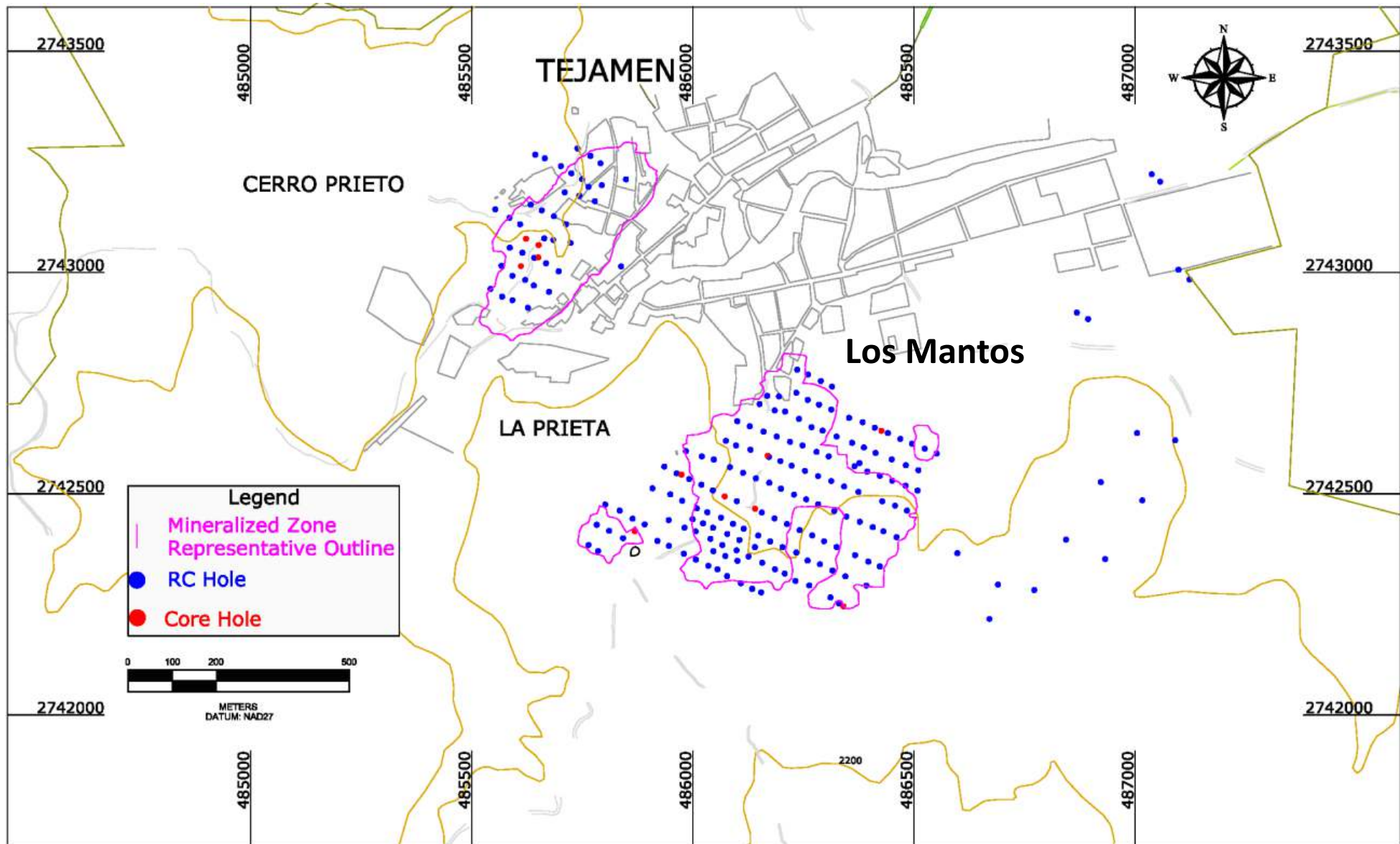


View looking easterly: showing gentle relief in the deposit area.

TEJAMEN MINING CONCESSIONS



TEJAMEN DRILLHOLE MAP



215 RC holes (36,139m) and 10 core holes were drilled between 2003 and 2007.
Los Mantos zone (south) and Cerro Prieto zone (north) indicated.

LOS MANTOS – BEST DRILLHOLE INTERCEPTS

Highlights include:

Hole MMT-141 – 80 m @
417ppm Ag

Hole MMT-101 – 89 m @
620ppm Ag

*Hole bottomed in high grade
mineralization

**Assays also reported 0.07ppm
Au to 17.05m

*** True widths not confirmed at
this time

Drill Hole	From - To (m)	Intercept (m)	Ag ppm
DD-5	0-36	36	49.5
DD-6	8-24	16	19.7
MMT-093	0-12	12	66.5
MMT-097	14-152	138	105.5
*MMT-101	80-169	89	620.5
MMT-103	30-46	16	60.4
*MMT-104**	106-146	40	142.7
MMT-105	0-24	24	50.1
MMT-109	32-58	26	68.2
MMT-056	128-150	22	142
MMT-063	0-50	50	214
MMT-081	36-54	28	106
MMT-089	46-72	26	135
MMT-141	80-160	80	417
MMT-142	110-166	56	105
MMT-148	106-134	24	66
MMT-149	84-98	14	133
	130-174	44	110
MMT-150	106-146	40	174
MMT-058	88-150	62	151
MMT-125	96-114	18	151
MMT-156	110-130	20	117
#204	92-116	24	134
#197	28-52	24	78.7

CERRO PRIETO – BEST DRILLHOLE INTERCEPTS

Highlights include:

Hole DD-2
60 m @ 138 g/t Ag

Hole MMT- 018
148m @ 128 g/t Ag

***Only drilled to 200 meters**

**** True widths not confirmed at this time**

Drill Holle	From - To	Width (m)	Ag (grams per tonne)
DD-1	18-84	66.0	59.5
DD-2	36-96	60.0	138.4
DD-3	62-78	16.0	38.6
MMT-001	13-76	60.0	86.93
MMT-002	28-56	28.0	52.31
MMT-003	100-110	10.0	84.2
MMT-004	92-96	4.0	140.0
MMT-007	36-102	66.0	104.45
MMT-008	84-104	20.0	118.0
MMT-013	48-100	52.0	108.5
MMT-018	52-200*	148.0	128.3
	88-100	12.0	520.2
MMT-027	0-30	30.0	122.1
MMT-028	14-82	68.0	81.6
MMT-029	56-80	24.0	114.2
MMT-034	36-66	30.0	65.0

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See previous comment on true width determination

Paul Teniere, 2019-06-13

HIGH GRADE FEEDER VEIN DRILLHOLE INTERCEPTS

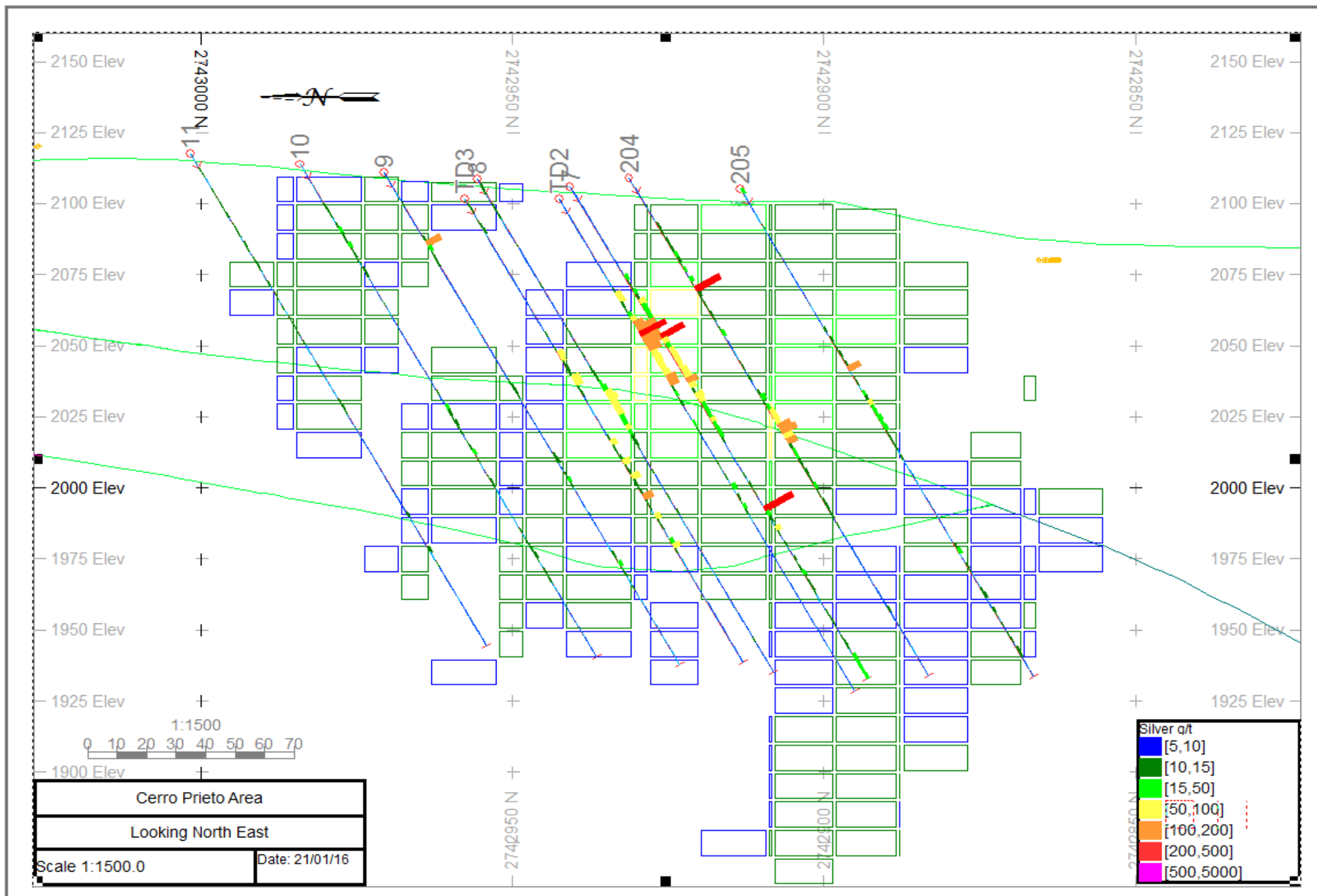
CERRO PRIETO FEEDER VEIN INDICATIONS

Drill hole No.	Intercept intervals	Meters	Ag ppm
TJBD -1	87.15 - 93	6.45	132
TJBD - 2	34 - 35.30	1.30	1,065
TJBD - 3	55.30 - 56.70	1.40	238
TJBD - 4	126 - 128	2.00	142

LOS MANTOS FEEDER VEIN INDICATIONS

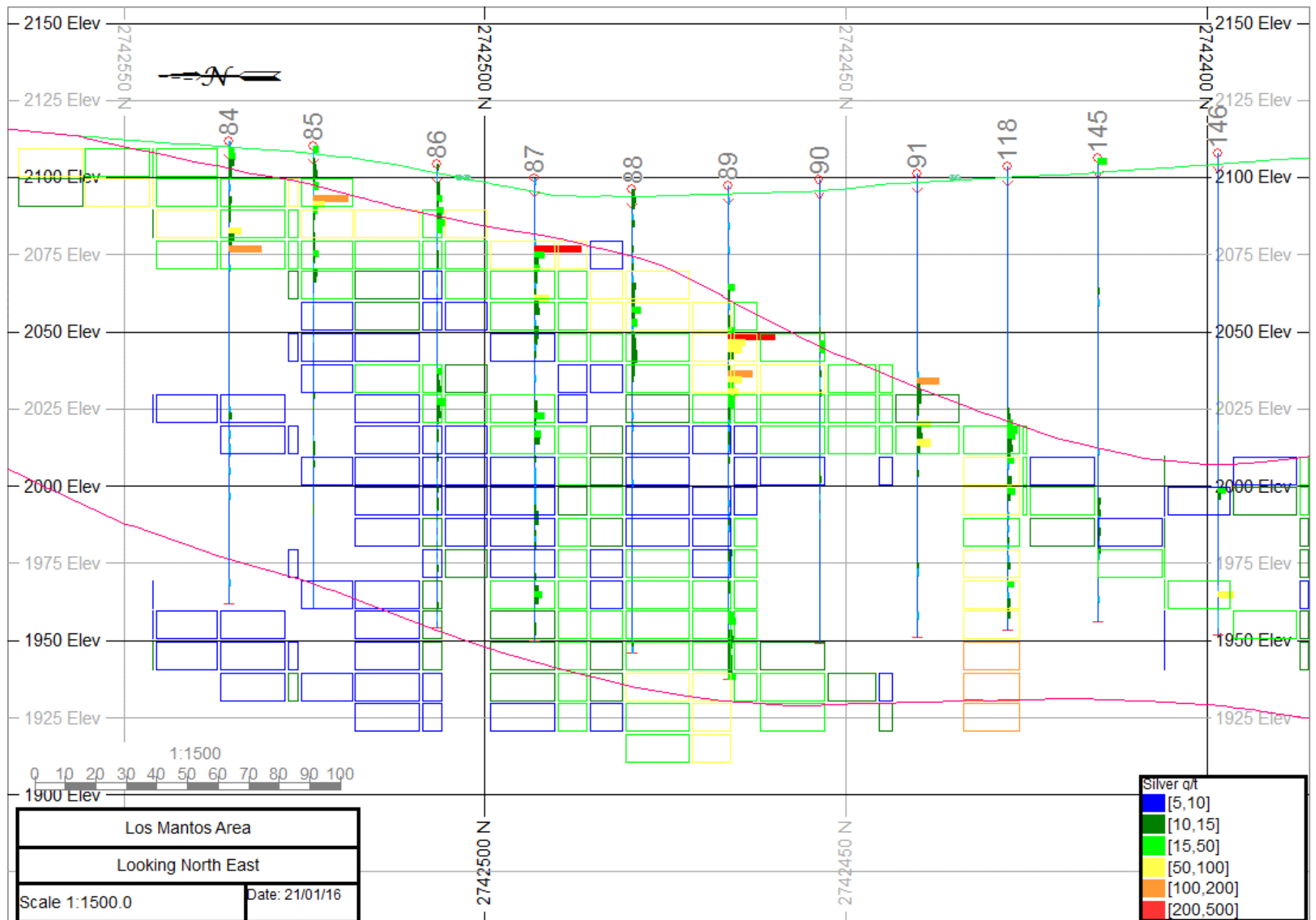
Drill hole No.	Intercepts intervals	Meters	Ag ppm
TJBD - 6	166 -172	6.00	1,400
MMT - 149	168 -170	2.00	448
MMT -150	134 - 136	2.00	1,355
MMT -142	160 - 162	2.00	806
MMT - 156	110 - 112	2.00	773

CROSS SECTION THROUGH CERRO PRIETO



Drillholes through Gustavson block model

CROSS SECTION THROUGH LOS MANTOS



TEJAMEN INFERRED RESOURCES

Deposit	Cutoff ppm Ag	TONNES	Ag ppm	Ag Contained Oz.
Mantos	20	9,192,000	56	16,540,000
	15	11,093,000	49.4	17,610,000
	10	12,879,000	44.3	18,330,000
Cerro Prieto	20	6,790,000	45.7	9,970,000
	15	7,760,000	42.2	10,520,000
	10	8,590,000	39.3	10,860,000
Total	20	16,663,000	50.2	26,923,000
Both Deposits	15	19,838,000	45	28,706,000
	10	22,847,000	40.7	29,928,000

Inferred Resources: from Gustavson Associates (Feb. 2, 2016)

* No credit for potentially significant Pb values

TEJAMEN PRELIMINARY METALLURGICAL TESTING

LAB	TEST TYPE (CYANIDE)	NO. OF SAMPLES	CRUSH SIZE	AVE. Ag RECOVERY
Mc Clelland Inc.	Bottle Roll	6	80% - 200 mesh	54.80%
Mc Clelland Inc.	Column Leach	2	RC chips (nominal 3/8")	67.50%
Wardrop Engineering	Column Leach	3	N/A (assumed chips)	68%
Mexican Geological Service	Bottle Roll	4	100% -10 mesh	67%

The testing was done with a primary focus on cyanide leaching with milling of higher grade mineralization and heap leaching of lower grade mineralization. Additional metallurgical testing needs to be done, on lower grade mineralization using cyanide and regarding flotation to evaluate the possibility of recovery of Pb (along with Ag).

TEJAMEN SATELLITE IMAGE



Showing gentle topography in area and proximity to Tejaman

TEJAMEN PROPOSED INITIAL WORK PROGRAM

- ❖ The primary focus of planned work at Tejamen will consist of follow-up core drilling including drilling 4,800m in 12 core holes.
- ❖ Core holes will be drilled to confirm previous RC drilling and better define geological parameters and block model grades.
- ❖ Drill holes may be extended to explore the potential of high grade feeder veins and the significant potential for mantos at depth, below the volcanic host rocks.
- ❖ Re-logging of historical samples has been completed to refine the geological model to design a 2019 drilling program.
- ❖ Additional metallurgical testing needs to be completed to better understand cyanide recoverability and the potential for flotation for higher grade Ag mineralization associated with potentially recoverable Pb and Zn.
- ❖ Drilling costs and follow-up work is estimated at approximately US\$1,500,000. The drilling would be completed in two phases over 1-2 years.
- ❖ Depending on positive drilling results, a PEA may be completed on the shallower mineralization and additional drilling may occur to follow up positive results of deeper drilling of the high grade feeder veins.

COMMUNITY RELATIONS

- ❖ The company currently has no access to Tejaman, but we are working with the leaders from Ejido, as well as the Mexican government (Federal, State and Municipal) to reopen the dialog with the community.
- ❖ The company discovered in 2009 that the Tejaman Ejido did not have title to the land.
- ❖ The company initiated work programs in 2009 to help the community.
- ❖ Subsequently title was granted to the Ejido in 2011.
- ❖ Newly elected political leaders have expressed the desire to help the company improve relations with the community, in order to start drilling programs.



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