



MONARCA MINERALS OBTAINS ENVIRONMENTAL PERMIT TO COMPLETE DRILLING PROGRAM ON THE SAN JOSE SILVER PROJECT IN MEXICO, AND GRANTS STOCK OPTIONS

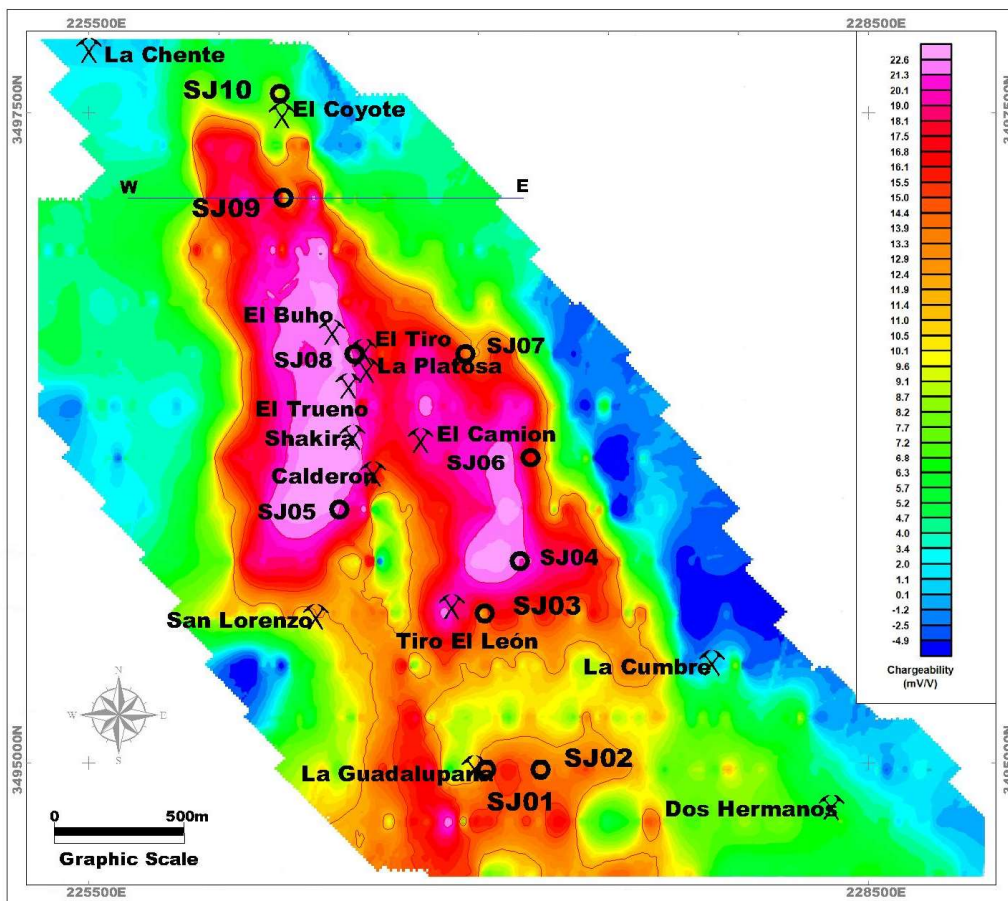
TORONTO, Ontario, August 3, 2021 -- **Monarca Minerals, Inc. ("Monarca" or the "Company") (TSX-V:MMN)** is pleased to announce that it has obtained an Environmental Permit (known as Informe Preventivo) to complete its planned 5,000 metre drilling program on its San Jose Silver Project ("San Jose") in Mexico.

Carlos Espinosa, President and CEO of Monarca commented, *"We are very pleased that despite several delays due to COVID-19 restrictions in Mexico we have obtained the environmental permit that will allow us to build and rehabilitate 7 km of roads in order to complete our 5,000 m drilling program. This was one of the last pieces of the puzzle, and we are now moving forward with our drilling plans for San Jose"*.

Monarca commenced building and completing the rehabilitation of 7 km of roads during the week of July 26 and drilling is expected to commence within the next four weeks once site preparation is complete.

An initial 10 drill holes are planned to depths of up to 500 m as indicated below in **Figure 1**. The planned drill holes are superimposed on a plan view of the Induced Polarization (IP) survey results at San Jose.

Figure 1: Planned drill holes on the San Jose Silver Project

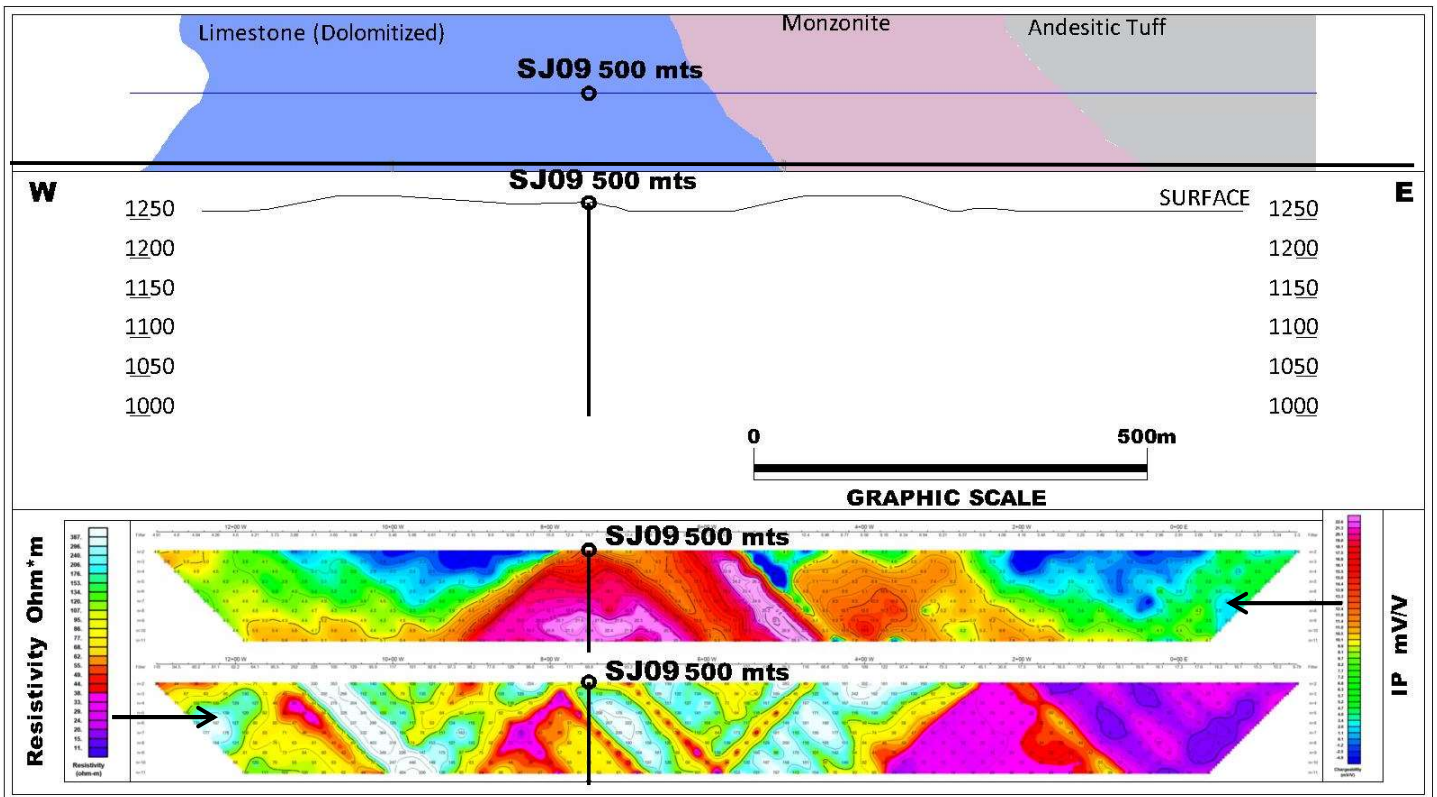




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The drill holes are designed to intersect several strong IP anomalies identified in 2019, as indicated in Figure 2 below for one planned drill hole (SJ09).

Figure 2: Cross section of a planned drill hole (SJ09) at San Jose targeting strong IP anomaly



Grant of Stock Options

The Company also announces that, in accordance with the Company’s stock option plan, it has granted the Directors of the Company a total of 2,400,000 stock options. Each option is exercisable to purchase one common share of the Company at \$0.08 per share for a period of 4 years from the date of issuance.

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 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



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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 Tejaman deposit in Durango, Mexico.

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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