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MONARCA MINERALS REPORTS COMPLETION OF FIRST TWO DRILL HOLES AT SAN JOSE PROJECT

TORONTO, Ontario, September 3, 2021 -- **Monarca Minerals, Inc. ("Monarca" or the "Company") (TSX-V:MMN)**, is pleased to announce that it has completed the first two drill holes at its San Jose project.

Michael R. Smith (Monarca Minerals Senior VP Exploration) states "We are very excited about the positive results of the San Jose drilling, having demonstrated the existence of significant skarn mineralization".

Drill holes SJ01 and SJ03 have been completed - each drill hole successfully intersected skarn mineralization with sulfide minerals, based on field quick logs (Figure 1: Field Log Summary). Both exoskarn and endoskarn mineralization were observed. The sulfide minerals observed were dominantly pyrite, with very fine grained dark sulfide minerals, which appear to be sphalerite and galena in some cases. Chalcopyrite was locally observed. Assay results are not yet available. The first batch of samples for assay will be shipped in a few days to the sample preparation laboratory in Chihuahua, Mexico.

SJ01: Drill hole SJ01, angled easterly at -60° , was drilled to 140.2m and was completed in one day. It targeted the mineralized contact between limestone and adjacent granodiorite, at the Guadalupana mine (Figure 2: Drilling IP Geophysical Targets). SJ01 intersected 9.1m of exoskarn with about 1% pyrite and <1% of fine grained dark sulfide minerals. It also cut 42.7m of endoskarn. The remainder of the hole was silicified granodiorite with about 1% pyrite.

SJ03: Drill hole SJ03 was drilled vertically to 329.2m and was completed in four days, having intersected three exoskarn horizons. A booster compressor was utilized to manage water flows, which at a constant rate were about 5 gallons per minute. It targeted an IP geophysical anomaly in an area where the nearest outcrop was about 100m distant, at the El Leon prospect. Three thick zones of exoskarn were intersected, each with sulfide mineralization consisting of pyrite and fine grained dark sulfide minerals. From 207.3m to 208.8m exoskarn mineralization was observed, with about 20% pyrite and fine grained dark sulfide minerals. The total intersected length of exoskarn mineralization was 83.8m, along with 76.2m of endoskarn. There appears to be potassic alteration (shreddy biotite) in the granodiorite in the bottom 32.0m of drill hole SJ03.



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| Drill Hole | Depth From m | Depth To m | Interval m | Protolith | Alteration Type | Alteration Intensity (1-5) | Total Sulfides% |
|------------|--------------|------------|--------------|-----------|--------------------------|----------------------------|-----------------|
| SJ01 | 0 | 3.05 | 3.05 | Qal | NA | NA | |
| SJ01 | 3.05 | 12.19 | 9.14 | Ls | exoskarn + silic | 3 | +/- 1% |
| SJ01 | 12.19 | 54.86 | 42.67 | Gd | endoskarn | 3 | +/- 1% |
| SJ01 | 54.86 | 140.21 | 85.34 | Gd | silic | 2 | +/- 1% |
| | | | | | | | |
| SJ03 | 0 | 4.57 | 4.57 | Qal | NA | NA | |
| SJ03 | 4.57 | 109.73 | 105.16 | Ls | dolomitized + talc | 4 | +/- 1% |
| SJ03 | 109.73 | 126.49 | 16.76 | Ls | exoskarn + silic | 4 | +/- 1% |
| SJ03 | 126.49 | 140.21 | 13.72 | Ls | dolomitized + talc | 4 | +/- 1% |
| SJ03 | 140.21 | 178.31 | 38.10 | Ls | exoskarn | 3 | +/- 2% |
| SJ03 | 178.31 | 207.26 | 28.96 | Gd | endoskarn | 4 | +/- 2% |
| SJ03 | 207.26 | 208.79 | 1.52 | Ls | exoskarn + CRD | 5 | +/- 20% |
| SJ03 | 208.79 | 236.22 | 27.43 | Ls | exoskarn + marble | 4 | +/- 3% |
| SJ03 | 236.22 | 283.46 | 47.24 | Gd | endoskarn | 5 | +/- 3% |
| SJ03 | 283.46 | 297.18 | 13.72 | Gd | silic + wk garnet | 3 | +/- 2% |
| SJ03 | 297.18 | 329.18 | 32.00 | Gd | potassic shreddy biotite | 3 | +/- 1% |

Figure 1: Field Log Summary

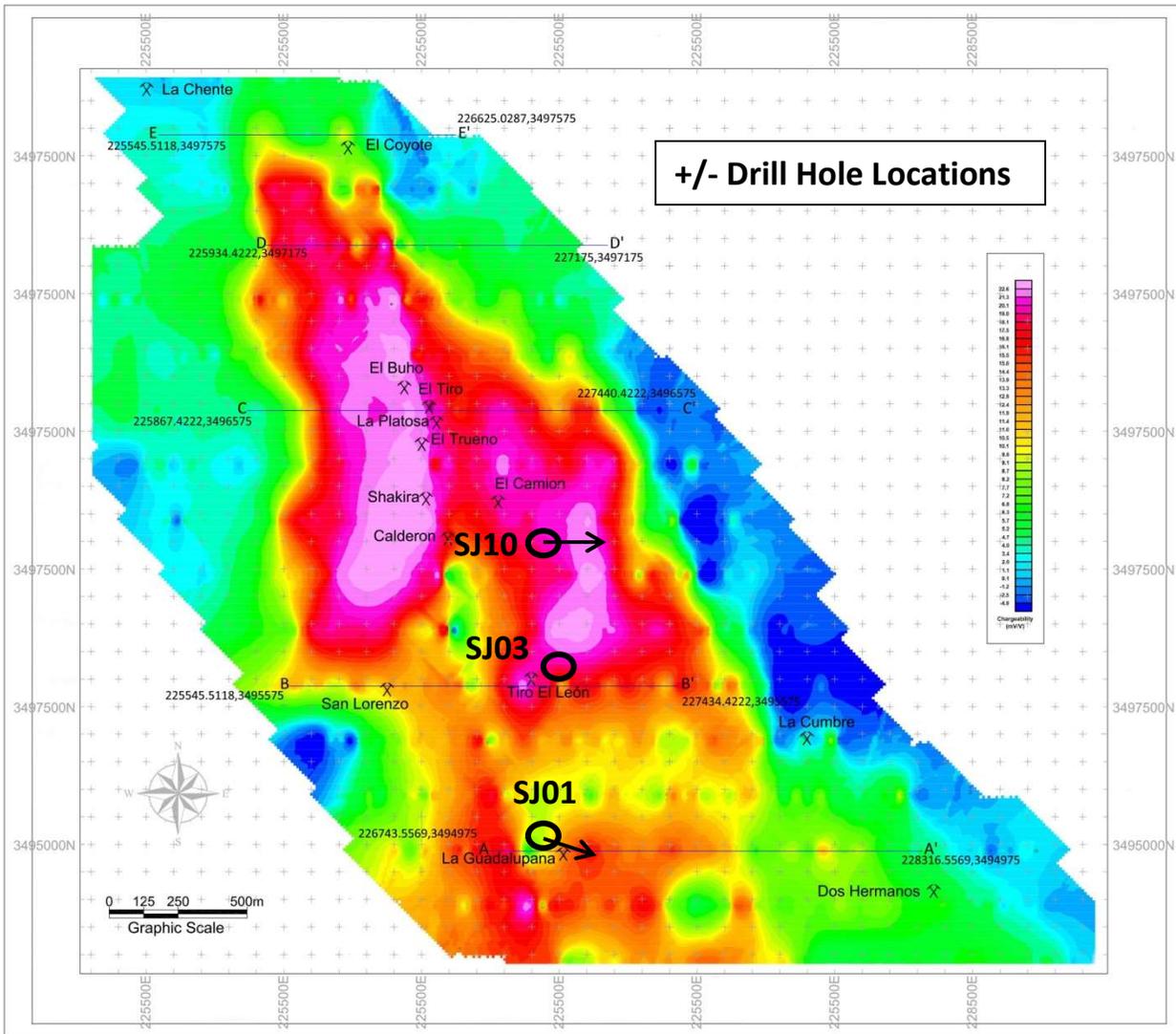


Figure 2: Drilling IP Geophysical Targets

Quality Assurance and Quality Control Statement

Procedures have been implemented by Monarca to assure Quality Assurance Quality Control (QAQC) of all assaying that will be done at an ISO Accredited laboratory. Drill hole samples are collected at the drill rig and are riffle split, disposing of 1/4 or 1/2 of the sample, collecting two samples, one for the assay laboratory and one as a duplicate. The samples are then stored securely prior to shipment. A sterile blank sample (unmineralized 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 will be reviewed for acceptable values by Monarca's Qualified Person



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Qualified Person Statement

Michael R. Smith is the Qualified Person (QP) who has reviewed 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 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.

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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.

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