

Monarca Minerals Announce the Closing of the Sale of El Sol Project Agreement to Southern Silver Exploration Corp. and Appointment of Ms. Monica Ospina as Board Member

Toronto, Ontario--(Newsfile Corp. - August 10, 2020) - **Monarca Minerals, Inc. (TSXV: MMN) ("Monarca" or the "Company")**, is pleased to announce the closing of the definitive agreement with Southern Silver Exploration Corp. to sell El Sol project in Durango, Mexico.

El Sol concession is a single 63ha claim located on the northwestern boundary of Southern Silver's projects the Bocona block of claims and is adjacent to the Area of the Cerro which hosts the four mineral deposits currently identified within the Cerro Las Minitas claim package.

The agreement is US\$300,000 payable in three equal instalments on execution of a definitive agreement, twelve months and eighteen months together with retention by the Company of 2% NSR on production from the claim with a right in Southern Silver to purchase the royalty at any time for US\$1,000,000.

El Sol is a non-core asset for Monarca and net proceeds from the sell will be used to advance the Company's San Jose project in Chihuahua, Mexico and for general working capital.

Appointment of Ms. Monica Ospina as Board Member

On June 30, 2020, the Board of Directors appointed Ms. Monica Ospina as a new Board Member. Ms. Ospina is the founder and Managing Director of O Trade. A recognized expert in Corporate Social Responsibility (CSR) for the Mining Industry. Monica's expertise includes stakeholder engagement, land access for exploration, and public-private partnerships. She has dedicated the last decade to defining new approaches to balancing community development and securing operational productivity in the extractive industry.

She holds a master's degree in Diplomatic Studies from the University of Westminster and has completed postgraduate programs in Sustainability Management from Harvard University and International Business Strategy, from the London School of Economics.

Ms. Ospina was Professor in Corporate Social Responsibility (CSR), and Sustainable Development at Seneca College, in Canada. Currently serves as a guest lecturer at the Faculty of Mining Engineering, University of Toronto, in Canada, the Faculty of Business at Georgia College and State University, in the US, and the Faculty of International Business at Tecnológico de Monterrey, in Mexico.

She is an internationally respected speaker and has featured in major sustainability and socio-economic development events, including those organized by the IFC, United Nations Global Compact and the World Bank.

Ms. Ospina is the author of the Local Community Procurement Program (LCPP), a Sustainable Supply Chain model awarded by the World Bank among the Top 15 innovations of the World Bank Procurement Innovation Challenge 2012. She contributed to the IFC World Bank Guideline for Early Stakeholder Engagement for Mining, published in 2014. Monica is fluent in English and Spanish.

"We are very pleased to have Ms. Ospina on the Board of the Company, she brings tremendous experience in CSR, and especially her recent experience working with mining companies in Mexico and Ecuador is invaluable for our plans in Mexico," stated Carlos Espinosa, President, CEO and Director of 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 Tejaman deposit in Durango, Mexico.

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Cautionary Note Regarding 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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