



# CAPITAN MINING DRILLS 33.5 METRES OF 0.4 G/T GOLD EQUIVALENT AT PENOLES PROJECT; CONTINUES TO SUCCESSFULLY EXPAND GOLD MINERALIZATION ALONG STRIKE

Vancouver, British Columbia--(Newsfile Corp. - March 8, 2021) - **Capitan Mining Inc. (TSXV: CAPT)** ("**Capitan**" or the "**Company**") is pleased to report ongoing drill results from its previously announced 6,000m drill program at the El Capitan gold zone.

## **Highlights:**

- All holes successfully tested and returned Capitan Style oxide gold mineralization over significant widths
- RC Hole 21-CARC-19: intersected 33.5m of 0.4 g/t gold equivalent
- RC Holes 21-CARC-19 and 20 extended mineralized zones along strike (to the west) as well as down-dip, and showed improving grades and widths
- Expansion drilling program continues, with new drilling focused on expanding the Capitan Zone along strike to the east
- Mineralization remains open along strike and at depth

## **Discussion**

Drillholes 21-CARC-19, 20, and 21 are the first drillholes of the 2021 season and were designed to test the continuity of Capitan Style oxide gold mineralization adjacent to and beyond the western and eastern peripheries of the current, drilled defined mineralized zone (see figure 1).

## **Western Extension**

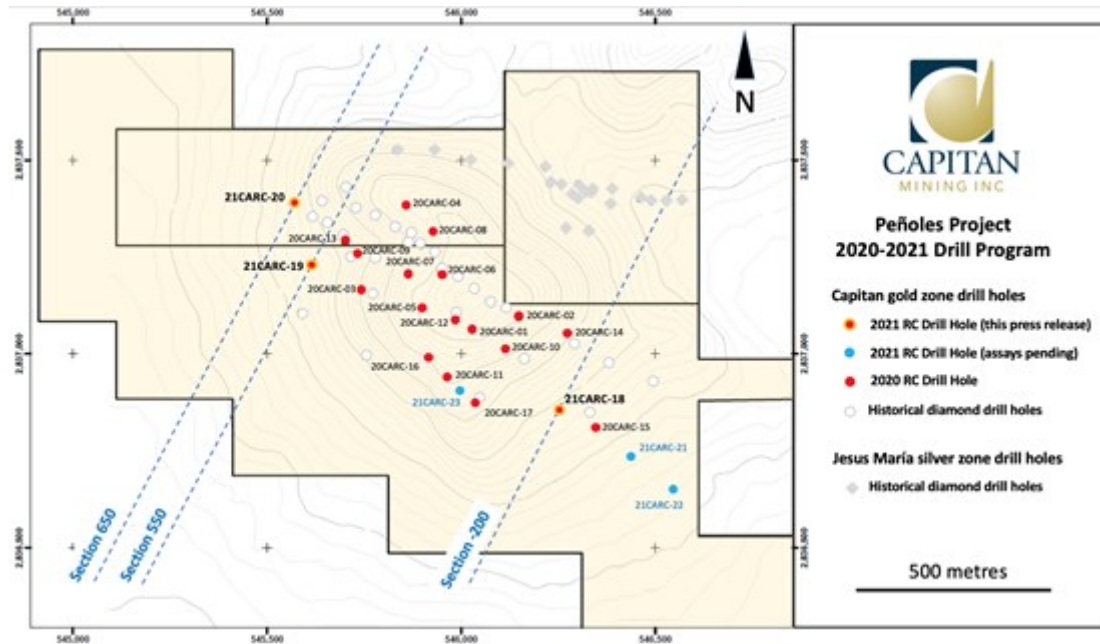
Drillhole 21-CARC-19 was designed to test the down-dip extension of the Capitan zone from historic hole CDDH-12-22, which returned 0.18 g/t over 24m. The hole successfully intersected the main Capitan hill zone starting at 129m, returning 33.5 meters of 0.4 g/t AuEq, which is significantly wider and higher grade than the intersection reported in historic hole CDHH-12-22, suggesting that mineralization is improving at depth. The hole extended the main Capitan zone down-dip, approximately 90 meters.

Drillhole 21-CARC-20 was a 50 meter step-out from historic hole CDDH-12-07, designed to test the on-strike extension of the main Capitan zone along its western margin. The hole successfully intersected multiple zones of Capitan Style oxide gold mineralization, showing considerable improvement in grade and width when compared to historic hole CDDH-12-07 (see table 1) suggesting a new area of stronger mineralization maybe commencing to the west of the current drill limits.

### **Eastern Capitan Hill**

Drillhole 21-CARC-18 was designed to test a large, 325-meter-wide gap between drillhole 20-CARC-17 and drillholes CDDH-08-03/20-CARC-15, located within the sparsely drilled, eastern portion of the Capitan Zone. The hole successfully intersected multiple zones of mineralization in the Hanging Wall zone, starting from 15.2m, with the strongest interval returning 0.30 g/t AuEq over 19.8 meters, extending the zone approximately 120-135m downdip from the closest drillholes.

**Capitan's CEO, Alberto Orozco, stated:** *"We are continuing to test extensions of the gold-silver mineralization at the Capitan zone with results to date, demonstrating that the mineralized envelope continues to grow. It is important to note we are also defining new targets as our understanding of the geology continues to evolve. The drillholes in this release successfully tested the on-strike continuity of the Capitan zone both to the northwest and to the southeast of the current 43-101 resource. Mineralization remains open along strike in both directions and at depth."*



**Figure 1: 2020-2021 Drill Hole Map at Capitan Hill Target**

To view an enhanced version of Figure 1, please visit:  
[https://orders.newsfilecorp.com/files/7373/76395\\_a33237c3b437e97e\\_002full.jpg](https://orders.newsfilecorp.com/files/7373/76395_a33237c3b437e97e_002full.jpg)

**Table 1. Table of Drill Results (Holes 18 - 20)**

Hole Name	Az	Di p	Section	Zone	From (m)	To (m)	Interval (m)	AuE (g/t)	Au (g/t)	Ag (g/t)	OX : SU
21-CARC-18											
Interval	28	65°	-200	Hangin g Wall	15.2	27.4	12.2	0.22	0.22		NSV OX
Interval				Hangin g Wall	48.8	74.7	25.9	0.17	0.17		NSV OX
Interval				Hangin g Wall	82.3	102.1	19.8	0.30	0.30		NSV OX
21-CARC-19***											
Interval	28	65°	550	Capitan Main	129.5	163.1	33.5	0.40	0.32	6.10	OX
21-CARC-20											
Interval	28	55°	650	Hangin g Wall	39.6	57.9	18.3	0.14	0.14		NSV OX
							16.8	0.26			OX

Interval			Capitan Main	109.7	126.5			0.24	1.22	
<b>CDDH-12-07 (historical hole)</b>										
Interval	20	60	600	Hanging Wall	26.2	34.5	8.3	0.16	0.16	NSV OX
Interval				Capitan Main	88.4	96.4	8.0	0.18	0.18	NSV OX

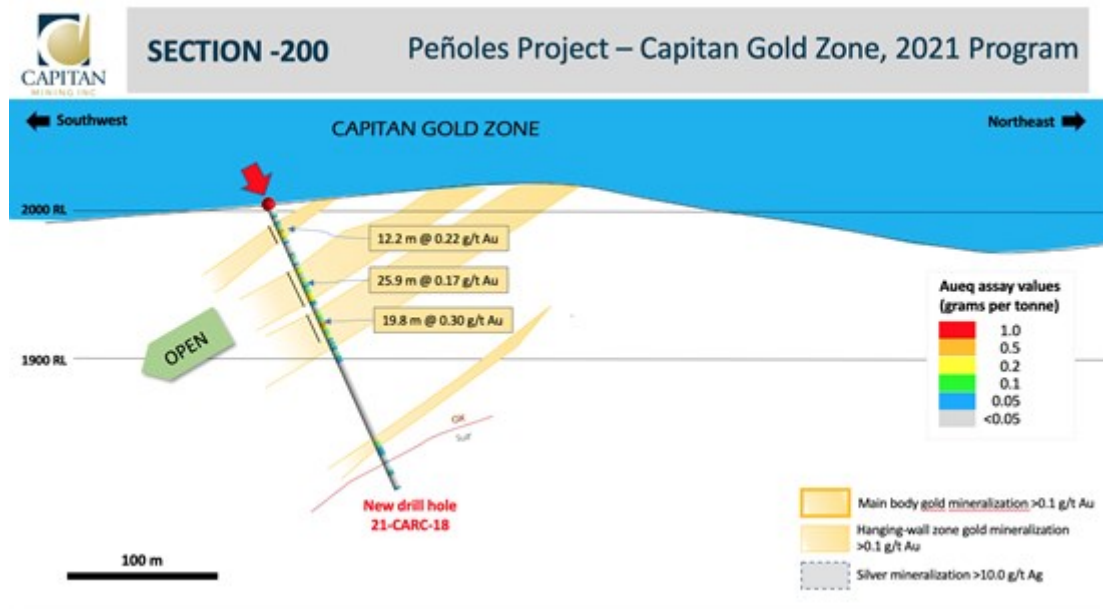
**Note:** Only drill intercept lengths are reported in the table. Drillholes are designed to cut the mineralized zones as close to true width as possible, with true widths ranging from 70-95% of the reported drilled length.

\* Gold equivalent calculated at 80:1 ratio

\*\*No significant values.

\*\*\*Hole abandoned in mineralization due to technical issues

**Figure 2: Cross Sections**



**Section -200**

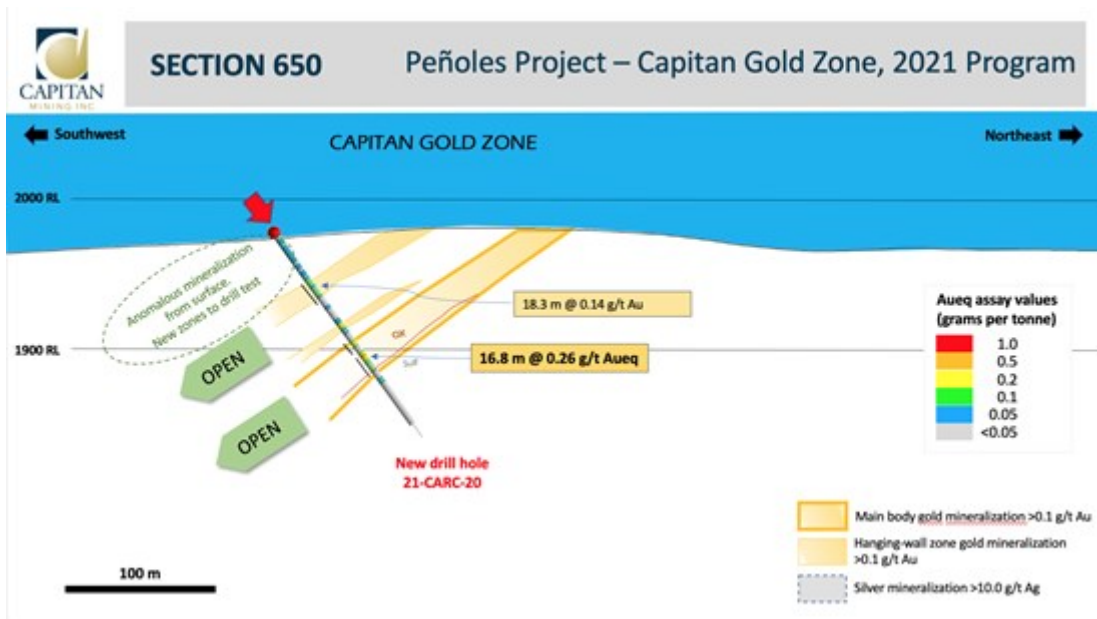
To view an enhanced version of Section -200, please visit:

[https://orders.newsfilecorp.com/files/7373/76395\\_a33237c3b437e97e\\_003full.j](https://orders.newsfilecorp.com/files/7373/76395_a33237c3b437e97e_003full.j)



### Section 550

To view an enhanced version of Section 550, please visit:  
[https://orders.newsfilecorp.com/files/7373/76395\\_a33237c3b437e97e\\_004full.jp](https://orders.newsfilecorp.com/files/7373/76395_a33237c3b437e97e_004full.jp)



### Section 650

To view an enhanced version of Section 650, please visit:  
[https://orders.newsfilecorp.com/files/7373/76395\\_a33237c3b437e97e\\_005full.jp](https://orders.newsfilecorp.com/files/7373/76395_a33237c3b437e97e_005full.jp)

Qualified Person & QA/QC:

The scientific and technical data contained in this news release pertaining to the Peñoles Project was reviewed and approved by Marc Idziszek, P.Geo, a non-independent qualified person to Capitan Mining, who is responsible for ensuring that the technical information provided in this news release is accurate and who acts as a "qualified person" under National Instrument 43-101 Standards of Disclosure for Mineral Projects.

Capitan Mining Inc. has a Quality Assurance/Quality Control program that includes insertion and verification of control samples including standard reference material, blanks and duplicates consistent with industry standards.

RC drill samples from the Peñoles Project are collected and split at the drill site using a Gilson Universal Splitter. The samples are stored in either plastic bags (dry) or micropore bags (wet) and secured with plastic zip-ties and then transported to the preparation laboratory of Bureau Veritas in Hermosillo, Sonora. The sample pulps are then transported to the Bureau Veritas' laboratory in Vancouver, where they are assayed for gold by fire assay with atomic absorption finish (FA430 assay method code; 0.005 to 10 ppm detection limit). Samples over 10 ppm Au are assayed with gravimetric finish (Assay code FA530). All samples are also assayed by ICP-ES (code AQ300) for a suite of 33 elements.

All summarized intervals reported in this press release were calculated using a 0.10 ppm Au cut-off grade. Intervals contain no more than 3 metres of internal dilution. High grades have not been capped.

#### **About Capitan Mining Inc.:**

Capitan Mining is a well-funded junior exploration company focused on its 100% owned gold and silver Peñoles Project in Durango, Mexico. The company is led by a management team that has successfully advanced and developed several heap leach operations in Mexico over the past 16 years. More information for the Company can be found at [www.capitanmining.com](http://www.capitanmining.com).

ON BEHALF OF CAPITAN MINING INC.

"Alberto Orozco"

Alberto Orozco, CEO

For additional information contact:

Alberto Orozco

CEO

Capitan Mining Inc.

[info@capitanmining.com](mailto:info@capitanmining.com)

Phone: (778) 327-6671

Fax: (778) 327-6675

Web: [www.capitanmining.com](http://www.capitanmining.com)

Raffi Elmajian  
Corporate Communications  
Capitan Mining Inc.  
[info@capitanmining.com](mailto:info@capitanmining.com)  
Phone: (604) 358-2601  
Web: [www.capitanmining.com](http://www.capitanmining.com)

*Certain statements in this press release may be considered forward-looking information. These statements can be identified by the use of forward-looking terminology (e.g., "expect", "estimates", "intends", "anticipates", "believes", "plans"). Such information involves known and unknown risks -- including the availability of funds, the results of financing and exploration activities, the interpretation of exploration results and other geological data, or unanticipated costs and expenses and other risks identified by Capitan in its public securities filings that may cause actual events to differ materially from current expectations. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release.*

*Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*

