

# Southern Empire Appoints Larry Kornze as an Advisor & Updates Pedro Drilling

3rd February 2022

Southern Empire Resources Corp. (Southern Empire; TSX-V: SMP; Frankfurt: 5RE; OTCQB: SMPEF) is exceptionally pleased to welcome Mr. Larry Kornze as an advisor.

Dale Wallster, CEO of Southern Empire, stated, ***“With more than 40 years of gold exploration expertise, much of it at Barrick Gold Corporation, and an incredible track record of discovery, Larry brings a wealth of experience and knowledge to our Southern Empire team. Given his exceptional understanding of the geology of Carlin-type and other epithermal gold deposits, Larry will bring particular expertise to the ongoing exploration and evaluation of our Pedro Gold Project in México.”***

Mr. Kornze, and then colleague Keith Bettles, are credited with the discovery of Barrick Gold Corporation’s (Barrick) 40 million ounce Betze gold deposit at the Goldstrike Mine Complex on the Carlin Trend in Nevada. Larry was also an integral part of other Carlin Trend exploration efforts that resulted in the discovery of Barrick’s Mickle, Deepstar, Screamer and Rodeo gold deposits. At Goldstrike, he also managed reserve development drilling and resource estimation, ore control guidance, mine dewatering, and ore body metallurgical studies.

Mr. Kornze retired from Barrick as the General Manager of Exploration for México and Central America, and International Evaluations. For Barrick, prior to working internationally, he held positions including General Manager – Exploration; Manager – U.S. Exploration; and Chief Geologist – Operations & New Projects at Barrick Mercur Gold Mine, Inc. Prior to joining Barrick, he was with Getty Mining Co. and Newmont Corporation, including Chief Geologist for Newmont Mining Corporation of Canada.

Mr. Kornze received his Geological Engineering degree from the Colorado School of Mines and is a NI 43-101 Qualified Person, Member of the Prospectors & Developers Association of Canada, Member of the Society for Mining, Metallurgy, & Exploration, Inc., Member of the Association for Mineral Exploration, Member of the Geological Society of Nevada, and serves as a director or advisor to other publicly listed companies.

As part of Mr. Kornze’s appointment as an advisor, Southern Empire has granted him 100,000 options exercisable at \$0.11 per share for a period of five years from the date of grant.

## **Pedro Gold Project – Drilling Update**

The Pedro Gold Project (Pedro) covers prospective “Basin and Range” geology including the Caracol formation, which is a rhythmically interbedded sequence of carbonaceous limestone, calcareous siltstones, weakly calcareous turbiditic sandstones, and shales. The Caracol is a favourable host

formation for other well-known ore deposits in México such as Newmont Corporation's *Peñasquito mine* and Orla Mining Ltd.'s Camino Rojo mine.

The HP Breccia, an epithermal gold system at Pedro, was discovered in 2012 by regional grassroots prospecting that was directly supervised by David Tupper, P.Geo., now Southern Empire's Vice President of Exploration. Historical selected surface grab samples of exposed HP Breccia returned gold (Au) assay values ranging from background levels to a maximum of 2.3 grams gold/tonne (g Au/t); with 58 samples greater than 0.25 g Au/t and 11 samples greater than 1.0 g Au/t).

In 2014, Newmont de Mexico, S.A. de C.V (a wholly-owned subsidiary of Newmont Corporation) optioned Pedro to specifically explore for Carlin-style gold deposits that are typically hosted by "dirty limestones", lithologies such as those of the Caracol formation. Newmont's limited, 11 drill hole exploration program, although producing results of up to 5.55 metres (m) of 0.59 g Au/t in hole LP-011-D, did not meet their expectations and they relinquished their option.

Southern Empire's belief in the exploration potential of the Pedro Gold Project led to the recent start of a core drilling program. Drilling is progressing well, with 3 holes totalling 421 m (~1,381 feet) completed and a fourth hole, which targets an Induced Polarization (IP) geophysical anomaly where strongly oxidized, hematitic volcanic cover rocks have been mapped, started. Core logging of the first 3 holes (DDH P22-01 through -03) suggests zones of up to 70 m of moderately silicified, limestone-dominated conglomerate with zones of up to 20 m (core length) exhibiting disseminated and vein controlled arsenical minerals including orpiment and realgar. Drill core samples have not yet been submitted to an accredited geoanalytical laboratory for assay analysis. It is anticipated that these samples will be sent to the laboratory after the drill program has ended. Assay results will be published at a later date after they are received.

**Pictures of selected drill core from the current Pedro drill program are available on the Southern Empire website at <http://www.smp.gold/photos>.** For further information concerning the Pedro Gold Project, please see Southern Empire news releases of July 27, December 21 and December 30, 2021 and January 25, 2022.

In July of 2021, Southern Empire entered into an agreement with Commander Resources Ltd. (TSX-V: CMD) allowing Southern Empire to acquire a 100% beneficial interest in the Pedro; mineral tenures that cover approximately 1,750 hectares ("ha"; 4,324 acres) of private lands located in Durango state, a mining-friendly state in north-central México. Pedro is approximately 80 kilometres (km; 50 miles) west-northwest of Torreón, a city with a metropolitan area population of ~1,500,000.

### **Quality Assurance / Quality Control (QA/QC) Data Verification Statement**

Historical samples mentioned in this release were prepared and analyzed at various times by ALS Chemex at its labs in Chihuahua, Mexico, and Vancouver, Canada. Soils were analyzed as part of a multi-element inductively coupled argon plasma (ICP) package using aqua regia digestion with over-limit results being reanalyzed with assay procedures using ICP-AES. Gold analyses for rocks were performed on a 30-gram sub-sample by fire assay with an ICP-AES finish. See Bearing Lithium Corp. news releases dated September 16, 2012 and July 2, 2014, and news releases of Commander Resources Ltd. dated February 19th, 2020 and March 30th, 2021 and July 27, 2021, all as posted on SEDAR.

### **Qualified Person (QP)**

The scientific and technical information contained in this news release has been prepared, reviewed and approved by David Tupper, P. Geo. (British Columbia), Southern Empire's VP Exploration and a Qualified Person ("QP") within the context of Canadian Securities Administrators' National Instrument 43-101; Standards of Disclosure for Mineral Projects (NI 43-101).

### **About Southern Empire Resources Corp.**

Southern Empire is focused on the acquisition, exploration and development of metals and minerals deposits in North America.

In northeastern Durango State, México, Southern Empire has an option to acquire a 100 percent beneficial interest in the 1,750-hectare (4,324-acre) Pedro Gold Project where 2014 drilling by a subsidiary of Newmont Corporation encountered epithermal gold mineralization within basal conglomerates of the Ahuichila formation.

In the Cargo Muchacho mountains of Imperial County, California, Southern Empire owns 100 percent of the historical gold-producing American Girl mine property and holds options to acquire a 100 percent interest in the adjacent 2,160-hectare (5,338-acre) Oro Cruz property located approximately 22.5 kilometres (14 miles) southeast of the operating Mesquite gold mine of Equinox Gold Corp.

At Oro Cruz, extensive historical drilling and large-scale open-pit and underground mining of the American Girl, Padre y Madre, Queen and Cross oxide gold deposits by the American Girl Mining Joint Venture (AGMJV; ultimately owned 53 percent by MK Gold Company and 47 percent by Hecla Mining Company) occurred between 1987 and 1996. During that time, gold was recovered by either heap leaching of lower-grade, or milling of higher-grade ores until AGMJV operations ceased in late 1996 because of declining gold prices leaving the Oro Cruz property with many gold exploration targets in addition to the historical inferred resource estimate, reported in 2011 by Lincoln Mining Corp., totalling 341,800 ounces gold based on 4,386,000 tonnes averaging 2.2 grams gold per tonne at a cut-off grade of 0.68 g/t Au (4,835,000 tons at 0.07 ounce gold per ton). Please refer to the Cautionary Notice Regarding the Oro Cruz Property Historical Resource Estimate below.

**On behalf of the Board of Directors of Southern Empire Resources Corp.,**

**Dale Wallster, CEO and Director**

**For further information on Southern Empire please visit both [www.smp.gold](http://www.smp.gold) and SEDAR or contact: *Lubica Keighery, (778) 889-5476, [lubica@smp.gold](mailto:lubica@smp.gold) .***

### **Cautionary Notice on Forward-Looking Information**

Information provided in this news release may contain forward-looking information or forward-looking statements that are based on assumptions as of the date of this news release. Such information or statements reflect management's current estimates, beliefs, intentions and expectations and are not guarantees of future performance. Southern Empire cautions that all forward-looking statements are inherently uncertain and that actual performance may be affected by a number of material factors, many of which are beyond its respective control. Such factors include, among other things: risks and uncertainties relating to Southern Empire limited operating history, the need to comply with environmental and governmental regulations, results of exploration programs on its projects and those risks and uncertainties identified in its annual and interim financial statements and management discussion and analysis. Accordingly, actual and future events, conditions and results may differ materially from the estimates, beliefs, intentions and expectations expressed or implied in the forward-

looking information. Except as required under applicable securities legislation, Southern Empire undertakes no obligation to publicly update or revise forward-looking information.

### **Cautionary Notice Regarding Oro Cruz Project Historical Resource Estimate**

The historical resource estimate outlined above is disclosed in a technical report dated April 29, 2011, prepared for Lincoln Mining Corp. by Tetra Tech, Inc. and filed on Canadian Securities Administrators' System for Electronic Document Analysis and Retrieval (SEDAR). It is termed an inferred mineral resource, which is a category set out in NI 43-101. It was based on historical reverse circulation and core drill hole sample, underground channel sample, and blasthole sample assay results and calculated using ordinary kriging to estimate gold grades in 10-foot-by-10-foot-by-five-foot blocks. Accordingly, Southern Empire considers this historical estimate reliable as well as relevant as it represents key targets for future exploration work. However, a QP has not done sufficient work to verify or classify the historical estimate as a current mineral resource and Southern Empire is not treating this historical estimate as current mineral resources.

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