

Capitan Drills 1.5m of 1,532.8 g/t AgEq Within 16.8m of 224.3 g/t AgEq at Cruz De Plata Project; Expands Jesus María Vein.

Vancouver, British Columbia--(Newsfile Corp. - January 17, 2023) - **Capitan Mining Inc. (TSXV: CAPT) ("Capitan" or the "Company")** is pleased to announce final drill assays for five (5) drillholes, from the summer 2022 drill program at the Jesus Maria high-grade silver zone, located at the Cruz de Plata project in Durango, Mexico.

Highlights:

- Hole 22-JMRC-22: Intersected **16.8m of 224.3 g/t AgEq**, including **3.0m of 978.7 g/t AgEq**, which includes **1.5m of 1,532.8 g/t AgEq**, at the Gully Fault zone,
- Hole 22-JMRC-14: Intersected **4.6m of 236.98 g/t AgEq**, including **1.5m of 624.8 g/t AgEq**, at the main Jesus Maria vein
- Hole 22-JMRC-15: Intersected **15.2m of 101.46 g/t AgEq**, including **1.5m of 475.45 g/t AgEq** at the main Jesus Maria vein
- Airborne Geophysical program is set to commence shortly and will cover the recently consolidated property package. Results from this survey will help with drill target analysis and prioritization
- Assays are pending for six (6) additional RC drill holes from the 2022 winter drill program, including 2 for the Jesús María area and 4 for the San Rafael zone

2022 Drill Program Overview

All holes reported herein are part of the 3100m, thirteen (13) hole summer 2022 drill program, which focused on the expansion and delineation of the Jesus Maria high-grade silver zone.

All thirteen drillholes were successful in defining and expanding the Jesus Maria high-grade silver zone along strike and at depth, with strategic infill holes targeting the Gully Fault- Jesus Maria Vein intersection, where very high silver grades were previously reported (see May 2nd 2022 Press release).

New Drilling Discussion

Recent drilling at the Jesus Maria high-grade silver zone continues to return significant, multi-meter intersections of high-grade silver mineralization. Additionally, holes 22-JMRC-14, 15, and 20 which were collared very close to the hanging wall/footwall of the Gully Fault, returned multiple, mineralized zones along their respective traces (See table 1), with mineralization generally more gold-rich and base-metal poor than what is typically encountered at Jesus Maria.

Expansion drilling at Jesus Maria

Drillholes 22-JMRC- 14, 15, 20 and 21 were all designed as step-out holes to expand mineralization, down-dip and along section, targeting the Jesus Maria high-grade silver zone at depth (See Figure 1 and 2). All holes intersected Jesus Maria as well as Gully Fault style mineralization along their traces, and successfully extended the Jesus Maria zone between 50 and 80 meters down-dip along their respective sections. From the long section (See Figure 2), high grade mineralization continues to expand down dip to the south and west, with the zone remaining open and largely untested to the east, towards the recently acquired El Refugio zone located 300m to the east of Jesus Maria.

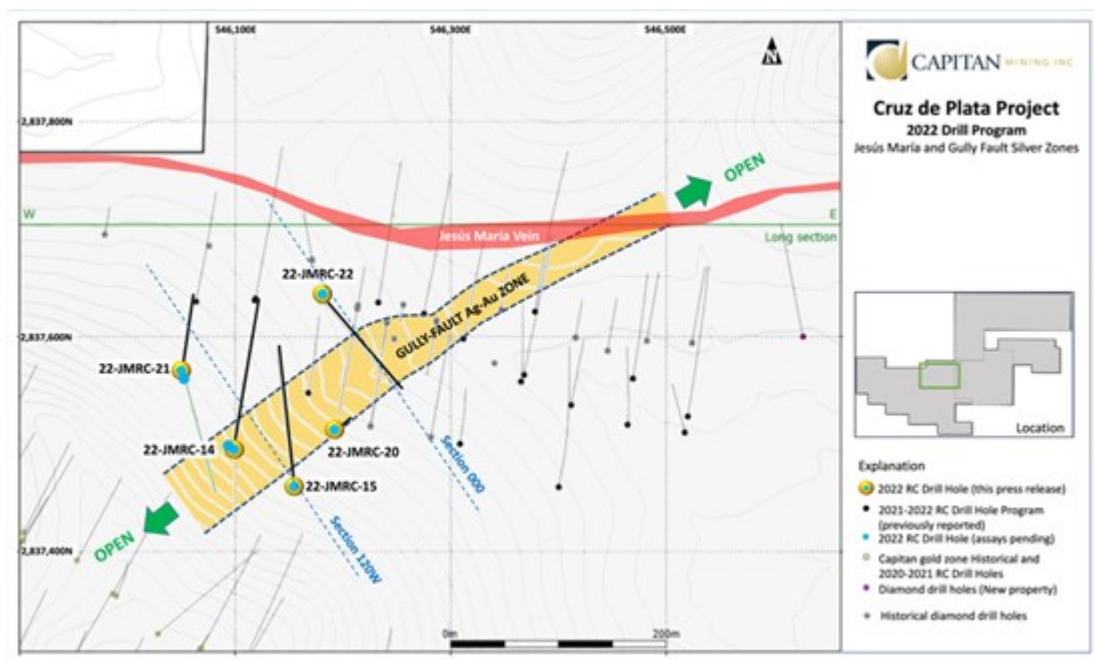


Figure 1. Drill Plan Map

To view an enhanced version of this graphic, please visit:

https://images.newsfilecorp.com/files/7373/151529_f72aa3f8d450d8f8_002full.jpg

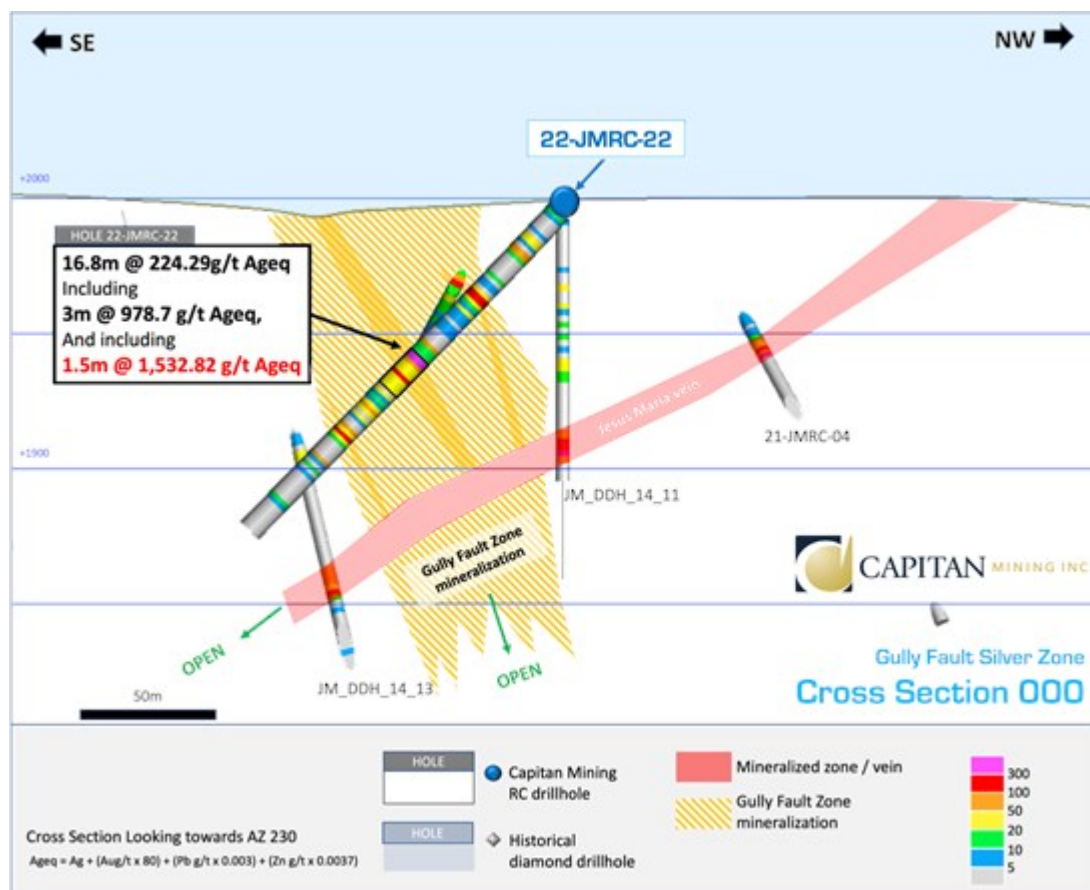


Figure 2. Gully Fault Zone Cross Section

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The best results include **4.6m of 236.98 g/t AgEq**, including **1.5m of 624.8 g/t AgEq** from 22-JMRC-14 at the main Jesús María vein and **15.2m of 101.46m**, including **1.5m of 475.45 g/t AgEq** at the main

Jesus Maria vein (See Table 1). New drilling is being planned for this target in the New Year.

The results reported today not only confirm the continuity of the Jesus Maria vein, but also that it continues to show high grades and wide thickness to the west at depth. (See Fig 3)

Expansion of the Jesús María high grade silver zone will be a high-priority focus for Capitan, particularly after completing the consolidation of the high-grade silver trend in early December.

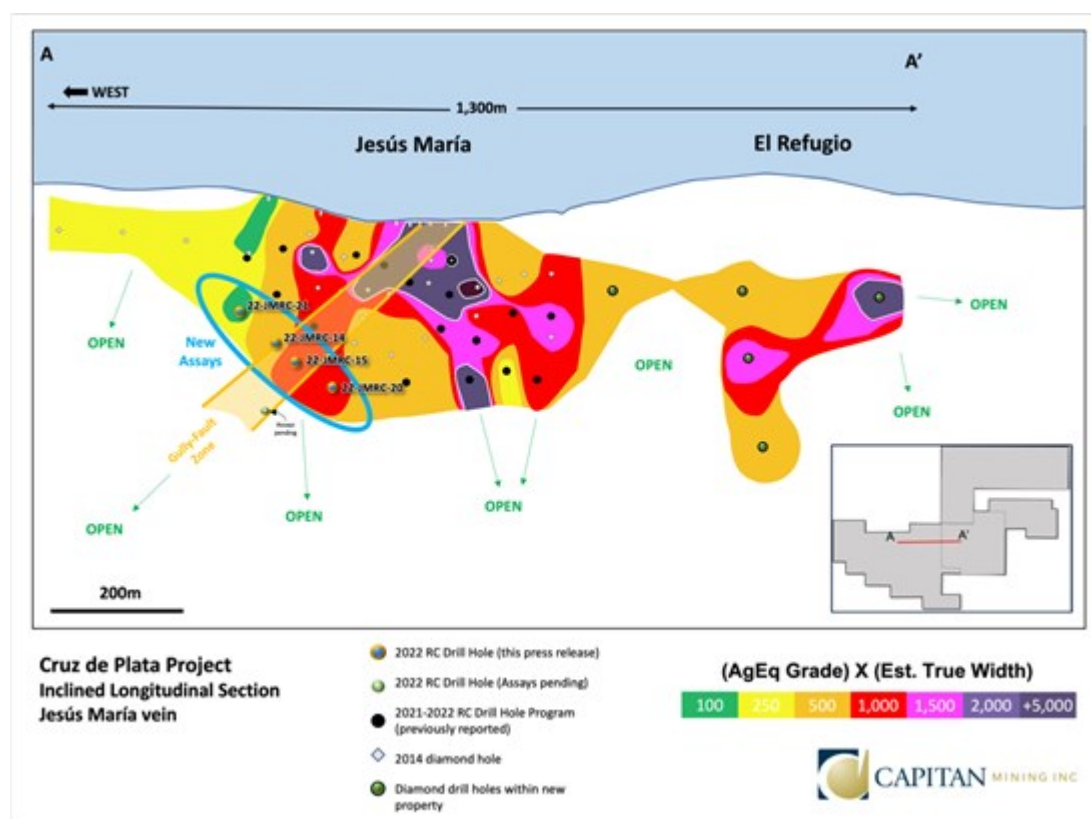


Figure 3. Jesus Maria Zone Long Section

To view an enhanced version of this graphic, please visit:

https://images.newsfilecorp.com/files/7373/151529_f72aa3f8d450d8f8_004full.jpg

Infill Drilling at The Gully Fault

Infill and step-out drilling continued at the Gully Fault target during 2022. Due to the complex nature of mineralization along the fault, an additional infill drill hole targeting the high-grade, shallow plunging silver mineralization was completed to increase confidence in the zone's orientation in order to optimize drilling direction.

Hole 22-JMRC-22 was collared very close to the surface exposure of the Jesus Maria vein and drilled towards the southeast, which is perpendicular to the current drill pattern at the Jesus Maria target, and subparallel to the dip of the Jesus Maria vein. The hole successfully intersected the Gully Fault target, confirming the trend of high-grade mineralization and validating the change in drill pattern. Additionally, high-grade mineralization was returned over a broad interval with **16.8m of 224.3 g/t AgEq**, including **1.5m of 1,532.8 g/t AgEq**. To-date, the Gully Fault has only been drill tested over a strike-length of 150m, and to only a shallow depth (<150m). The zone remains open to the Northeast and southwest.

Airborne Geophysical Program and Drill Permits

In addition to the recently announced drill program at Cruz de Plata, Capitan Mining has begun an RFP process with various third-party contractors for a property-wide airborne survey consisting of both magnetic and electromagnetic data collection across the entire, consolidated property package. The

goal of this program is to assist with target generation including both new targets/structures within the consolidated package, as well as identify the on-strike portions of known targets including the Gully Fault, El Refugio, JM North, and San Rafael.

The company has also engaged other third-party contractors for a potential ground geophysical program including IP/resistivity across portions of the property.

Additionally, with the completion of the recently announced property consolidation, the company has applied for new drill/environmental permits that will allow for the construction of drill pads and access roads across portions of the property to gain access to the JM North and El Refugio zones.

Table 1. Table of drill results for hole 22-JMRC-14, 15, 20, 21 and 22

22-JMRC-14	From (m)	To (m)	Interval (m)	AgEq (g/t)*	Ag (g/t)	Au (g/t)	Pb (%)	Zn (%)
Interval	80.8	82.3	1.5	61.73	39.60	0.208	0.08	0.083
Interval	108.2	115.8	7.6	44.50	36.16	0.061	0.02	0.081
Interval	126.49	132.6	6.1	67.23	35.12	0.382	0.02	0.024
Interval	140.2	144.8	4.6	236.98	183.10	0.632	0.05	0.049
including	141.7	143.3	1.5	624.80	504.00	1.450	0.11	0.037
Interval	160.0	164.6	4.6	157.17	125.40	0.195	0.14	0.323
Interval	176.7	195.1	18.3	59.63	25.97	0.179	0.21	0.35
Interval	207.7	208.8	1.5	39.85	14.5	.217	0.11	0.12
Interval	289.56	292.61	3.0	52.83	7.8	0.464	0.1	0.14
22-JMRC-15	From (m)	To (m)	Interval (m)	AgEq (g/t)*	Ag (g/t)	Au (g/t)	Pb (%)	Zn (%)
Interval	123.4	125.0	1.5	76.48	39.60	0.426	0.02	0.059
Interval	131.1	146.3	15.2	36.97	4.39	0.341	0.02	0.123
including	132.6	134.1	1.5	100.69	5.80	1.128	0.03	0.102
Interval	155.4	163.1	7.6	62.55	19.58	0.402	0.07	0.238
including	160.0	161.5	1.5	169.33	54.40	1.000	0.28	0.716
Interval	167.6	181.4	13.7	92.96	48.94	0.433	0.04	0.222
including	172.2	173.7	1.5	186.04	80.60	1.227	0.04	0.163
Interval	202.7	217.9	15.2	101.46	21.25	0.440	0.49	0.818
including	210.3	211.8	1.5	475.45	80.70	1.817	3.17	4.170
Interval	228.6	230.1	1.5	26.68	3.7	0.26	0.03	0.038
22-JMRC-20	From (m)	To (m)	Interval (m)	AgEq (g/t)*	Ag (g/t)	Au (g/t)	Pb (%)	Zn (%)
Interval	109.7	111.3	1.5	65.12	38.10	0.327	0.00	0.022
Interval	117.3	118.9	1.5	37.64	9.30	0.351	0.00	0.007
Interval	123.4	125.0	1.5	41.86	14.1	0.341	0.00	0.012
Interval	132.6	134.1	1.5	67.87	40.50	0.328	0.01	0.023
Interval	175.3	187.5	12.2	145.11	90.19	0.177	0.60	0.618
including	175.3	176.8	1.5	347.01	315.00	0.289	0.14	0.130

Interval	211.8	216.4	4.6	33.58	9.27	0.252	0.04	0.083
22-JMRC-21	From (m)	To (m)	Interval (m)	AgEq (g/t)*	Ag (g/t)	Au (g/t)	Pb (%)	Zn (%)
Interval	47.2	50.3	3.0	45.25	35.25	0.118	0.00	0.013
Interval	132.6	134.1	1.5	31.26	14.40	0.011	0.12	0.332
Interval	150.9	155.4	4.6	67.25	32.07	0.096	0.33	0.477
Interval	160.0	161.5	1.5	111.42	18.70	0.173	0.20	1.970
Interval	192.0	195.1	3.0	47.51	5.95	0.410	0.08	0.172
22-JMRC-22	From (m)	To (m)	Interval (m)	AgEq (g/t)*	Ag (g/t)	Au (g/t)	Pb (%)	Zn (%)
Interval	13.7	15.2	1.5	37.58	3.10	0.425	0.00	0.013
Interval	19.8	22.9	3.0	59.38	9.95	0.608	0.00	0.022
Interval	42.7	47.2	4.6	86.75	45.3	0.314	0.1	0.358
Interval	68.6	70.1	1.5	70.14	39.90	0.322	0.03	0.098
Interval	74.7	91.4	16.8	224.29	187.23	0.354	0.13	0.134
including	74.7	77.7	3.0	978.70	872.00	0.948	0.56	0.384
and incl.	74.7	76.2	1.5	1,532.82	1,381.00	1.358	0.85	0.480
Interval	99.1	103.6	4.6	43.73	19.9	0.276	0.01	0.039
Interval	111.3	117.3	6.1	89.48	52.78	0.438	0.00	0.043
Interval	126.5	128.0	1.5	86.03	13.40	0.860	0.02	0.089

Note: Only drill intercept lengths are reported in the table. True widths are approximately 70-90% of the reported interval.

** Silver equivalent calculated using the following equation $AgEq = Ag\text{ g/t} + (80 \times Au\text{ g/t}) + (0.003 \times Pb\text{ g/t}) + (0.0037 \times Zn\text{ g/t})$. A metallurgical recovery of 100% is considered.*

About the Jesus María Silver Zone

The Jesus Maria (JM) Silver Zone is located approximately 280m to the northeast of the Capitan's Oxide Gold deposit on its 100% owned Cruz de Plata Project. It has been traced by surface trenching and diamond drilling over a strike length of 750m and to a depth of 150m, with the majority of drilling focused over 250m strike length and less than 100m below surface.

The Jesus Maria Silver Zone has a long mining history going back to the late 1800's, when the Penoles Mining company constructed several shafts and drifts to exploit the high-grade silver veins in the area. In recent years, work programs conducted by previous operators has demonstrated significant potential at the Jesus Maria silver deposit. The work to date has identified Two (2) distinct styles of silver mineralization:

1. High-grade silver polymetallic veins (Silver gold lead-Zinc)
2. High-grade silver with gold veins

Prior Diamond Drill Highlights - Jesus Maria (2013-2014)

High-grade Silver Polymetallic veins

- **JM-DDH-13-06:** 0.9m of 3,409.1 g/t Ag, 0.9 Au, 3.4% Pb and 7.1% Zn within a wider interval of 11.85m of 320.3 g/t Ag and 0.17 Au
- **JM-DDH-13-07:** 2.1m of 279.5 g/t Ag, 0.21 g/t Au, 4.09% Pb and 7.57% Zn
- **JM-DDH-14-10:** 2.3m of 113.8 g/t Ag, 0.82 g/t Au, 4.3% Pb and 1.8% Zn

High Grade Silver & Gold Veins

- **JM-DDH-14-24:** 7.15m of 988 g/t Ag and 1.24 g/t Au within a wider interval of 70.8m of 147.8 g/t Ag, 0.37 g/t Au
- **JM-DDH-14-10:** 4.25m of 732.2 g/t Ag, 1.2 g/t Au, within a wider interval of 40.6m of 123.9g/t Ag and 0.54 g/t Au
- **JM-DDH-13-07:** 2m of 988.5 g/t Ag, 0.23 g/t Au within an interval of 4m of 533 g/t Ag and 0.16 g/t Au
- **JM-DDH-14-27:** 4.7m of 398 g/t Ag and 1.33 g/t Au within a wider interval of 47m of 125 g/t Ag and 0.4 g/t Au

Approximately 3,100m of diamond drilling were completed by previous operators at the Jesus Maria silver deposit (2011-2014), which were used to complete an initial 43-101 compliant, Inferred resource in 2015 consisting of 7.5M tonnes at 62 g/t Ag (15M ounces) and 0.1 g/t Au (26k ounces).

Work Programs Completed by Capitan Mining

Since acquiring 100% of the Cruz de Plata project in Sept 2020, Capitan Mining has significantly expanded the footprint of the Jesus Maria mineralization along strike and at depth to both the east and west. Drilling has also further defined and expanded the Gully Fault zone which is spatially associated with the Jesus Maria Vein.

RC Drill highlights include:

- **21-JMRC-01:** 42.7m @ 224.3 g/t AgEq including
 - **1.5m @ 1,352 g/t AgEq,**
 - **1.5m @ 1,177.2 g/t AgEq**
 - 1.5m @ 368.3 g/t AgEq
 - 3.0m @ 337.7 g/t AgEq
 - 1.5m @ 304.3 g/t AgEq
- **21-JMRC-03:** 10.7m @ 435.02 including
 - **1.5m @ 789.3 g/t AgEq**
 - **1.5m @ 860.2 g/t AgEq**
 - **1.5m @ 641 g/t AgEq**
- **21-JMRC-04:** 7.6m @ 122.8 g/t AgEq including
 - 1.5m @ 368.1 g/t AgEq
- **21-JMRC-06:** 13.7m @ 146.4 g/t AgEq including
 - 3.0m @ 271.45 g/t AgEq
- **21-JMRC-07:** 22.9m @ 76.98 g/t AgEq including
 - 1.5m @ 427.6 g/t AgEq
- **21-JMRC-10:** 16.8m @ 332 g/t AgEq including
 - **9.1m @ 538.7 g/t AgEq which includes**
 - **1.5m @ 2,406.3 g/t AgEq**
- **22-JMRC-12:** 21.3m @ 143.6 g/t AgEq including
 - 1.5m @ 488.97 g/t AgEq
 - 1.5m @ 328.25 g/t AgEq
- **22-JMRC-13:** 3.0m @ 225.8 g/t AgEq
- **22-JMRC-19:** 21.3m @ 132.9 g/t AgEq including
 - 1.5m @ 307.5 g/t AgEq
 - 1.5m @ 344.8 g/t AgEq

Consolidation of Jesus Maria Silver Trend

On Dec 6th, 2022, Capitan announced that it had entered into a transaction with a third party to consolidate the 2.5km high grade Jesus Maria trend. This transaction will allow Capitan to continue to grow and test the regional footprint of the high-grade silver trend at Cruz de Plata

Qualified Person & QA/QC:

The scientific and technical data contained in this news release pertaining to the Cruz de Plata Project was reviewed and approved by Marc Idzisek, 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 Cruz de Plata 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 the city of Durango, Durango. 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 and over 100 ppm Ag are assayed with gravimetric finish (Assay code FA530). All samples are also assayed by ICP-ES (code AQ300) for a suite of 33 elements. Samples over 1% Pb and/or 1% Zn are assayed by Aqua regia Ore Grade ICP-ES (AQ 370).

Diamond drill-hole samples, drilled by Fresnillo, reported in this press release were assayed at SGS Labs for gold by fire assay with atomic absorption finish (GE_FAA515 assay method code; 0.005 to 10 ppm detection limit). Samples over 10 ppm Au and over 100 ppm Ag are assayed with gravimetric finish (Assay code GEO_FAG515). All samples are also assayed by ICP-ES (code GE_ICP40B) for a suite of 33 elements. Samples over 1% Pb and Zn are assayed by Aqua regia Ore Grade ICP-ES (GO_ICP90Q).

All summarized intervals reported in this press release were calculated using a 25 ppm Ag equivalent (AgEq) cut-off grade with AgEq considering Ag, Au, Pb and Zn and calculated as follows: $AgEq = Ag\text{ g/t} + (80 \times Au\text{ g/t}) + (0.003 \times Pb\text{ g/t}) + (0.0037 \times Zn\text{ g/t})$. 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 Cruz de Plata 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

ON BEHALF OF CAPITAN MINING INC.

"Alberto Orozco"

Alberto Orozco, CEO

For additional information contact:

Alberto Orozco

CEO
Capitan Mining Inc.
info@capitanmining.com
Phone: (778) 327-6671
Fax: (778) 327-6675
Web: www.capitanmining.com

Raffi Elmajian
Corporate Communications
Capitan Mining Inc.
info@capitanmining.com
Phone: (778) 327-6671
Web: www.capitanmining.com

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