



San Marco Expands the Footprint of the Newly Discovered Chunibas Porphyry-Related Breccia Gold System and Outlines Exploration Plans

Vancouver, B.C. – September 21, 2017: San Marco Resources Inc. (SMN: TSX-V) ("San Marco") announces the results and recommendations of the recent Chunibas Project exploration program. As noted in the Company's news release dated August 9th, 2017 regarding the Chunibas property, the discovery of breccias in the recent core drilling program has led to the re-mapping of surface outcrops property wide, re-logging of the core, and generation of a revised exploration program based on the new, larger porphyry-related breccia gold model/target. As a result of this recent geological work, drilling is recommended, following a few additional surface exploration activities outlined below.

Exploration Results

The Chunibas Project is now viewed as a porphyry-related breccia gold system. Highlights include:

- Surface mineralized footprint of 3 kilometres X 1.5 kilometres and remains open.
- Gold mineralization occurs disseminated and vein controlled.
- The Company is encouraged to see three stages of mineralizing development, which are apparent in the discovery:
 - 1) initial property-wide emplacement of an igneous breccia which intruded older diorite and andesite rocks;
 - 2) a magmatic hydrothermal pulse where mineralising fluids emplaced disseminated gold in the breccias; and
 - 3) late, overprinting epithermal gold-bearing quartz-carbonate veins cross cut all previous rock types.
- Re-logging of the CHD-01 drill hole reveals it to host 88 metres grading 0.37 g/t gold disseminated in igneous breccias. The previously reported drill intercept in CHD 01 did not include this much wider zone of gold mineralization within breccias.
- Several drill holes cut magnetite-bearing potassic alteration associated with elevated gold grades. In some cases holes ended in significant, but previously unrecognized mineralization. The last assay in CHD-03 is 1.05 g/t gold and last assay in CHD-02 is 2.4 g/t gold.
- The alteration styles are indicative of a porphyry system.

For related images, please visit the [Chunibas Project](#) on the Company's website.

Exploration Plans

Integrating the recent exploration recommendations with the current Chunibas database has generated an exploration strategy moving forward. The Company plans to immediately initiate the exploration programs as indicated below:

- Initiate a property-wide magnetic survey. There are indications gold mineralization may be associated with magnetite in potassic alteration. The magnetic survey could help map

zones of potassic alteration beneath phyllically-altered rocks common at surface at Chunibas.

- Further explore the western sector of the property where highly altered rocks contain quartz-sericite-tourmaline structures possibly indicative of a porphyry system in close proximity.
- Extend several soil sample lines to the western area of the property to cover this zone.
- Use known pathfinder elements as well as magnetics for vectoring future drill hole locations.
- Drill defined targets to sufficient depths for an adequate test. Past drilling targeted the late epithermal vein zones at a shallow depth. The program wasn't designed to test a porphyry gold system now suspected to be present. Deeper drilling will be required.

1068 Project

The Company is waiting on some final exploration information regarding the 1068 Project and expect to issue an update on that Project shortly.

About San Marco

San Marco Resources Inc. is a Canadian mineral exploration company with a portfolio of promising projects in mining-friendly Mexico, including the Chunibas, Mariana and 1068 Projects in Sonora State.

San Marco actively pursues strategic project generation program focused on high-caliber, low acquisition cost opportunities in the North-western Mexico. The Company has a committed management team with extensive experience in Mexico and a proven track record of building shareholder value. San Marco currently has 56,201,832 issued and outstanding shares.

On behalf of the Board of Directors,

**Robert Willis, P. Eng.
President & CEO**

For further information, contact:

Nancy Curry
info@sanmarcocorp.com

National Instrument 43-101 Disclosure

This news release has been approved by San Marco's CEO, Robert D. Willis, P. Eng. a "Qualified Person" as defined in National Instrument 43-101, *Standards of Disclosure for Mineral Projects* of the Canadian Securities Administrators. He has verified the data disclosed, including sampling, analytical and test data, underlying such technical information by reviewing the assay reports provided to San Marco by its independent testing laboratory.

The Company has implemented quality assurance ("QA") and quality control ("QC") programs to ensure sampling and analysis of all exploration work is conducted in accordance with the best possible practices. All sampling programs are carried out in a careful and diligent manner using scientifically established sampling practices designed and tested to ensure that the results are representative and reliable. Quality control programs appropriate to the type of sample and the mineralization are implemented, including such measures as external blanks, standards and duplicate samples. The security of samples from sample acquisition to analysis is a vital component of the sampling process. Procedures include the use of secure core logging, sampling, storage and preparation facilities as appropriate and the prompt, secure

and direct shipping of samples to the laboratories. Appropriate sample security procedures are employed given the geographic and topographic conditions and the logistics created by the site location.

Forward Looking Information

Information set forth in this document may include forward-looking statements. While these statements reflect management's current plans, projections and intents, by their nature, forward-looking statements are subject to numerous risks and uncertainties, some of which are beyond the control of San Marco Resources Inc. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on these forward-looking statements. San Marco's actual results, programs, activities and financial position could differ materially from those expressed in or implied by these forward-looking statements.

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