



San Marco to begin Phase One Drill Program at the Chunibas Project & Appoints New Chief Financial Officer

Vancouver, B.C. – May 4th, 2017: San Marco Resources Inc. (SMN: TSX-V) ("San Marco" or the "Company") announces it has commenced preparation for Phase One core drill program at its 100% owned Chunibas gold/silver project, located approximately 160 kilometres east of Hermosillo, Sonora State, Mexico.

- The Chunibas targets are a series of high-grade gold bearing veins hosted in intrusive rocks
- There are 5 main vein zones; Santa Rosa, Argentina, Santa Fe, Gusima, and Western, which comprise a "mineralized corridor" 750 metres wide and 1.5 kilometres long
- The Company's sampling of the one to two metre-wide structures has resulted in grades up to 46 g/t gold
- The Project enjoys excellent infrastructure and access
- Surface access rights secured
- Access road repair and drill pad construction is commencing
- Drilling expected to begin by the end of May
- Additional drilling maybe scheduled, based on initial results

The primary objectives of this drilling will be to confirm the presence of higher-grade mineralization within the discrete shear veins, as well as the presence of broad haloes of lower grade Au-Ag within adjacent, sericite – Fe carbonate altered wall rocks. Historical data has been incorporated with the Company's recent exploration work, resulting in field evidence that the north-south trending shear/vein structures coalesce in various zones along strike. This has reinforced the geological model that wider zones of gold mineralization, flanking the high-grade shear structures, some of which continue to be mined by local gambosinos (miners), where grades appear to be in the 15 g/t gold range, exist. *

An initial 4 core holes totalling approximately 500 metres is contemplated, two holes in the Santa Fe zone; one hole 400 metres along strike to the north in the Santa Rosa zone; and one hole a further 350 meters to the north in the Argentina zone. These holes are located in areas of old gambosino workings, as well as several historic reverse circulation drill holes. *

In addition, baseline metallurgical test work will also be completed, with the objective of determining precious metals recoveries as a function of degree of oxidation.

*See the Company's website for historic reverse circulation drill results

San Marco appoints Fernando J. Costa CFO

The Company also announces that Fernando J. Costa, CPA, CA has been appointed as the Company's new Chief Financial Officer.

Mr. Costa brings more than 20 years of professional experience in merger and acquisition transactions along with corporate finance, accounting and taxation matters. Mr. Costa earned

his CPA, CA designation in 2001. Mr. Costa currently serves as an assurance partner in a large regional accounting firm located in Vancouver, British Columbia. He has significant experience in dealing with resource based public companies and has been involved in complex corporate finance transactions, mergers and acquisitions.

"We are extremely pleased to welcome Mr. Costa to San Marco's management team," said Bob Willis, CEO of the Company. "He brings an extensive amount of accounting and public company experience to San Marco which will assist the Company as it further develops its resource projects".

This appointment comes with the departure of Bernie Zacharias, who played an important role in the development of the Company and ensuring accurate reporting. Both the board and management team are very grateful for Mr. Zacharias' dedication to and hard work for the Company and wish him well on all his future endeavours.

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 56,051,832 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.

Neither the TSX Venture Exchange nor the Investment Industry Regulatory Organization of Canada accepts responsibility for the adequacy or accuracy of this release.