



## Drilling Update

### New Gold Zone intersected at Los Santos

VANCOUVER, BRITISH COLUMBIA, June 22, 2022 -- SALAZAR RESOURCES LIMITED (TSXV: SRL; OTC QX: SRLZF; Frankfurt: CCG.F) ("Salazar" or the "Company") is pleased to announce the final results from the 2,575m Los Santos exploration drilling program, where drilling has intersected a significant new gold zone. A total of 13 holes were drilled, with the drilling results from four holes reported on May 31, 2022. The assays from the remaining nine holes are reported here.

Two holes were drilled into the Fortuna target area ("Fortuna") in the northwest of the concession and have intersected a new gold zone which starts at outcrop and extends to significant depth. Fortuna is 700 m away from the Cangrejos concession boundary and less than 2 km from the center of the Cangrejos main mineral resource, held by Lumina Gold (Figures 1 and 2). Lumina Gold quotes resources of 10.4 Moz gold in the Indicated category at a grade of 0.57 g/t Au.

The drilling results from seven holes at Brecha Sur returned narrow widths of mineralized material.

#### Highlights:

- Drillhole SAN-010 (Fortuna) returned 103.0 m @ 0.52 g/t Au, 0.16% Cu, 217 ppm Mo from surface, including 67.6 m @ 0.73 g/t Au, 0.21% Cu and 271 ppm Mo from surface
- Drillhole SAN-009 (Fortuna) returned 22.3 m @ 0.67 g/t Au, 0.21% Cu, and 89 ppm Mo from 5.1m

**Fredy E. Salazar, CEO, commented:** *"We are encouraged with the drilling results at Fortuna which have identified a strongly mineralized system. Both holes (SAN-009 and SAN-010) returned thick intersections of gold, copper, and associated alteration from surface. These results are a play-opener in the Fortuna target area. Fortuna is located close to known mineral resources at Cangrejos where Lumina Gold is finding extensions to existing resources in expansion drilling. Brecha Sur drill results show that the geology at depth did not correlate with the spectacular trench results at surface.*

*We will now plan Phase 2 exploration program at Los Santos, based on a new geological interpretation incorporating the recent drillhole data.*

*Salazar Resources' goal is to make the country's next commercial copper-gold discovery. The Company also aims to find partners for some projects and to retain at least one project on a 100% ownership basis to drive wholly-owned growth and value creation."*

#### Los Santos

Background information to Los Santos is available at the Salazar Resources website: <https://salazarresources.com/projects/100-salazar-owned/los-santos/>

Exploration at Los Santos has comprised mapping, sampling, and drilling. The targets shown in Figure 1, below, have been drill-tested. Drilling is completed, and consisted of 2,575 m in thirteen separate holes.

## Final Drill Results at Los Santos

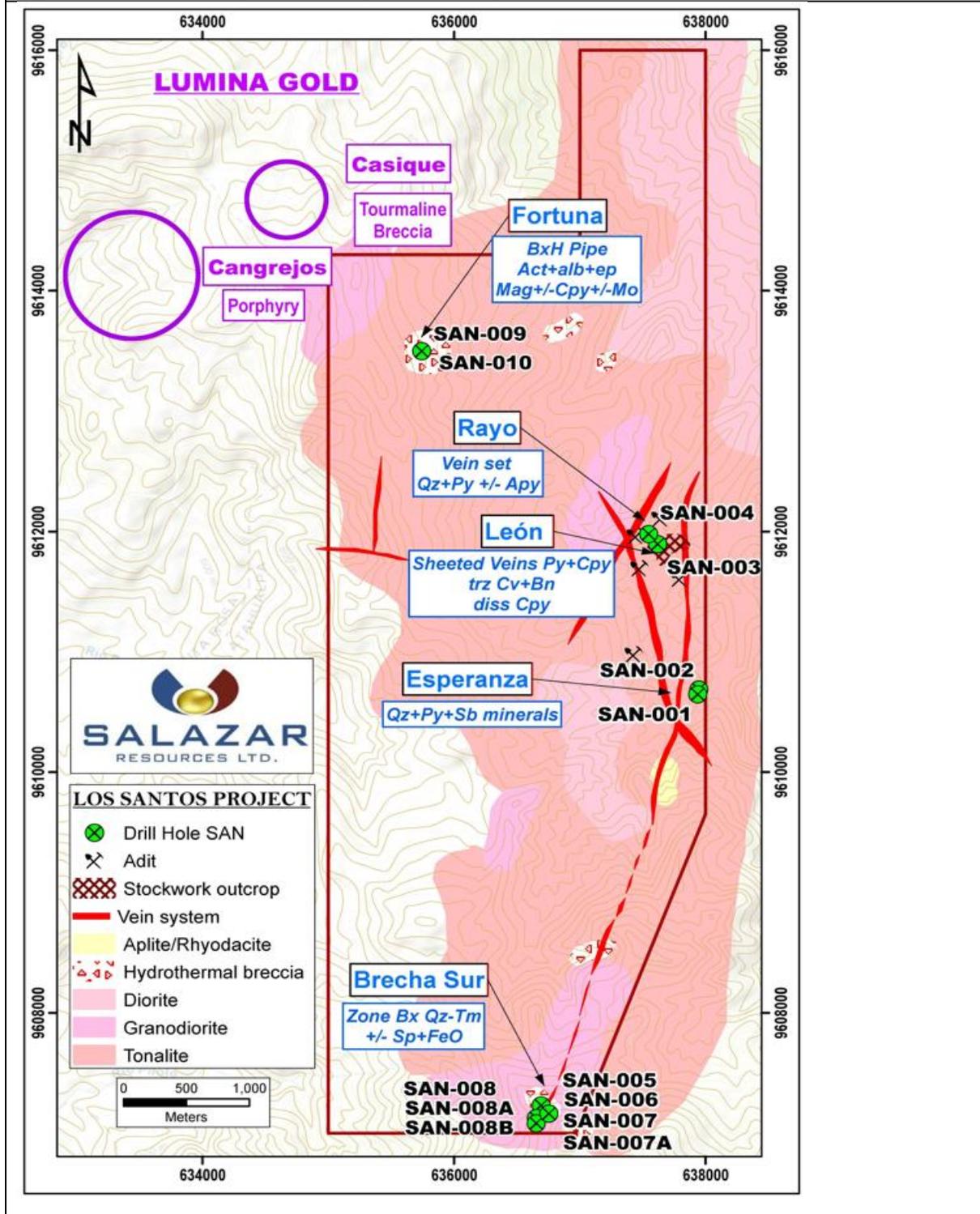
Results have been returned from the remaining nine holes completed in the Phase 1 drilling program at Los Santos. Two holes were drilled on the Fortuna target and seven holes were drilled on the Brecha Sur target. A map showing the location of the drill holes is shown in Figure 1, below. The collar locations of all thirteen holes are shown in Table 1, below.

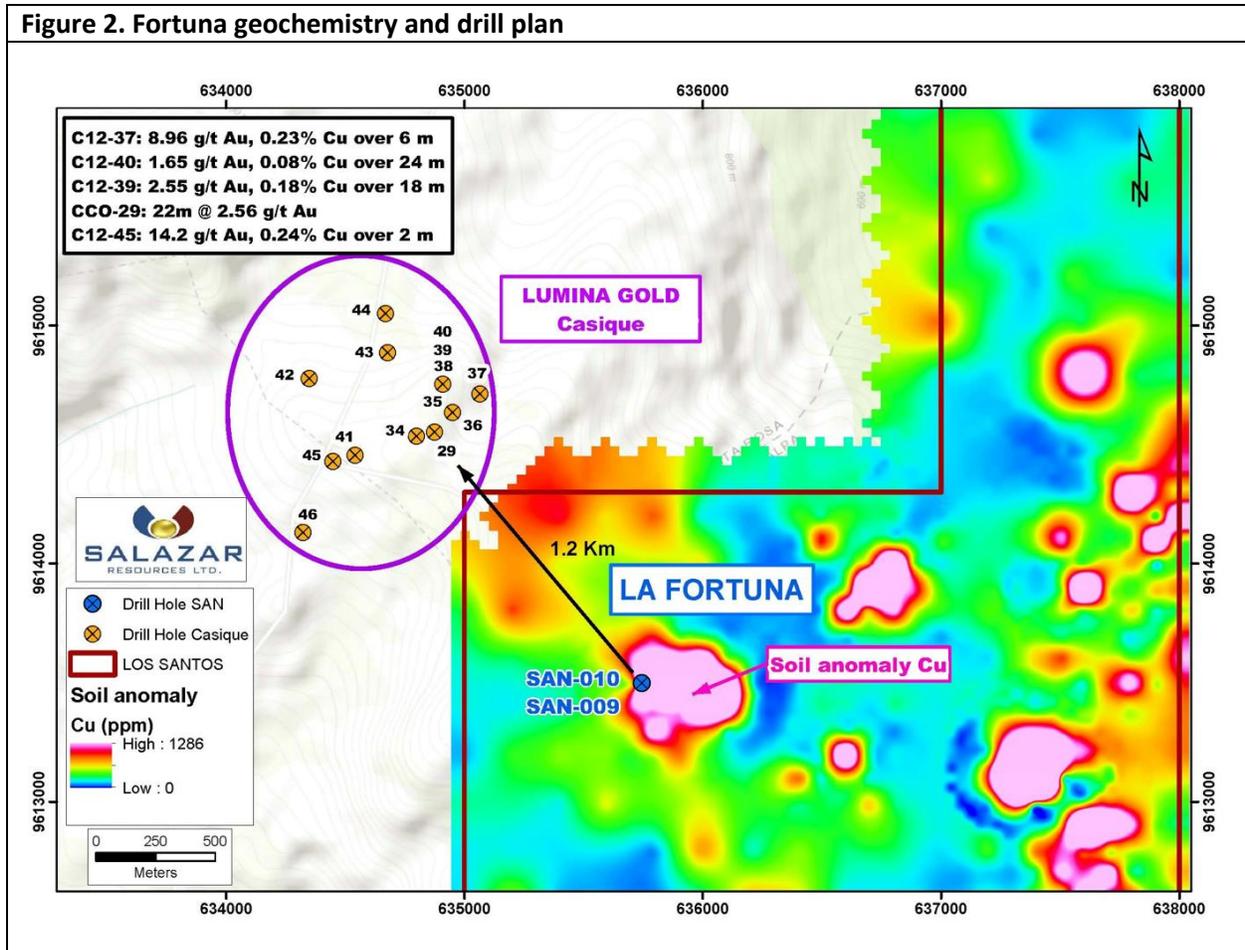
Target	Hole ID	East	North	Dip	Azimuth	Total Depth(m)
Esperanza	SAN-001A	637947	9610689	-60	280	298.8
	SAN-002	637938	9610647	-60	270	227.0
Leon	SAN-003A	637619	9611896	-70	80	327.6
Rayo	SAN-004	637548	9611980	-50	290	439.0
Brecha Sur	SAN-005	636693	9607234	-60	125	245.0
	SAN-006	636655	9607128	-50	130	174.6
	SAN-007	636654	9607083	-50	130	94.2
	SAN-007A	636654	9607083	-42	320	35.0
	SAN-008	636754	9607165	-46	320	44.0
	SAN-008A	636754	9607165	-42	320	34.4
	SAN-008B	636754	9607165	-60	320	130.9
	SAN-008C	636754	9607165	-60	320	130.9
Fortuna	SAN-009	635744	9613500	-60	110	224.1
	SAN-010	635744	9613500	-85	290	275.0

The results from holes SAN-005 to SAN-010 are shown in Table 2, below.

Hole	From (m)	To (m)	Width (m)*	Au (g/t)	Cu (%)	Mo (ppm)	Ag (g/t)
SAN-005	No significant results						
SAN-006	137	140.65	3.65	0.03	0.004	-	12.7
SAN-007	Unsampled						
SAN-007A	10.45	14.35	3.9	0.3	0.004	1	1.3
SAN-008	10.8	12.65	1.85	0.3	0.02	1	6.2
SAN-008A	7.1	10.4	3.3	1	0.01	1	2
SAN-008A	13.4	15.3	1.9	0.1	0.02	1	3.9
SAN-008B	5.2	11	5.8	1.08	0.03	1	5.8
SAN-009	5.1	27.35	22.25	0.67	0.21	89	1.4
and	39.6	45.65	6.1	0.2	0.08	12	0.9
and	84.55	105.2	20.7	0.21	0.14	10	0.8
and	124.75	135.48	10.7	0.2	0.14	54	0.8
SAN-010	0	103	103	0.52	0.16	217	0.9
incl.	0	67.6	67.6	0.73	0.21	271	1.1
* Downhole widths							

Figure 1. Los Santos exploration targets and drill plan





## Fortuna

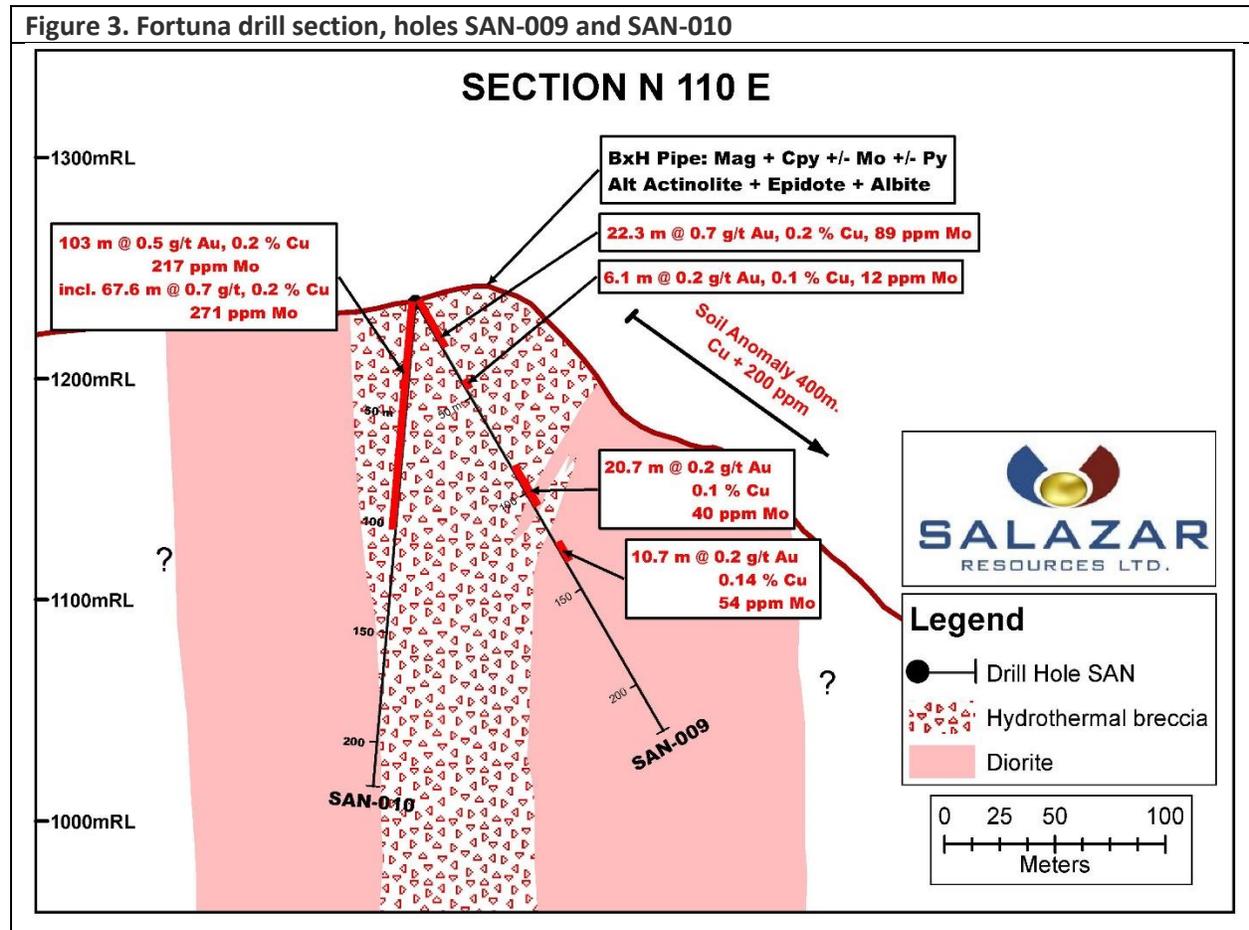
Previous mapping and sampling at Fortuna identified a breccia pipe estimated to be approximately 100 m x 100 m in size. Fortuna is located approximately 1 Km from the Casique Tourmaline Breccia and approximately 2 km from the Cangrejos porphyry system, both of which are Lumina Gold properties.

Two holes were drilled at Fortuna from the same platform, SAN-009 to the east-southeast, and SAN-010 to the west-northwest. Both holes intersected gold and copper from surface and at depth. The mineralization reported above was predominantly, but not exclusively, within the breccia pipe. Drillhole SAN-010 returned 103.0 m @ 0.52 g/t Au, 0.16% Cu, 217 ppm Mo from surface, including 67.6 m @ 0.73 g/t Au, 0.21% Cu and 271 ppm Mo from surface. Mineralization within the breccia was weaker after 136 m, and the hole exited the breccia body at 178.0 m downhole.

Drillhole SAN-009 returned an initial intersection of 22.3 m @ 0.67 g/t Au, 0.21% Cu, and 89 ppm Mo from 5.1 m. Three additional zones of mineralization of 6.1 m, 20.7 m, and 10.7 m were intersected (see Table 2, above) further down the hole. The hole exited the breccia body at 135.5 m downhole, and mineralization extended beyond the breccia body into the country rock.

The higher-grade intervals are associated with zones of more intense brecciation and alteration. In these zones the matrix is dominated by fine grained magnetite, associated with clots of epidote and fine disseminated molybdenite. The presence of albite, actinolite, epidote and chlorite in the wider mineral

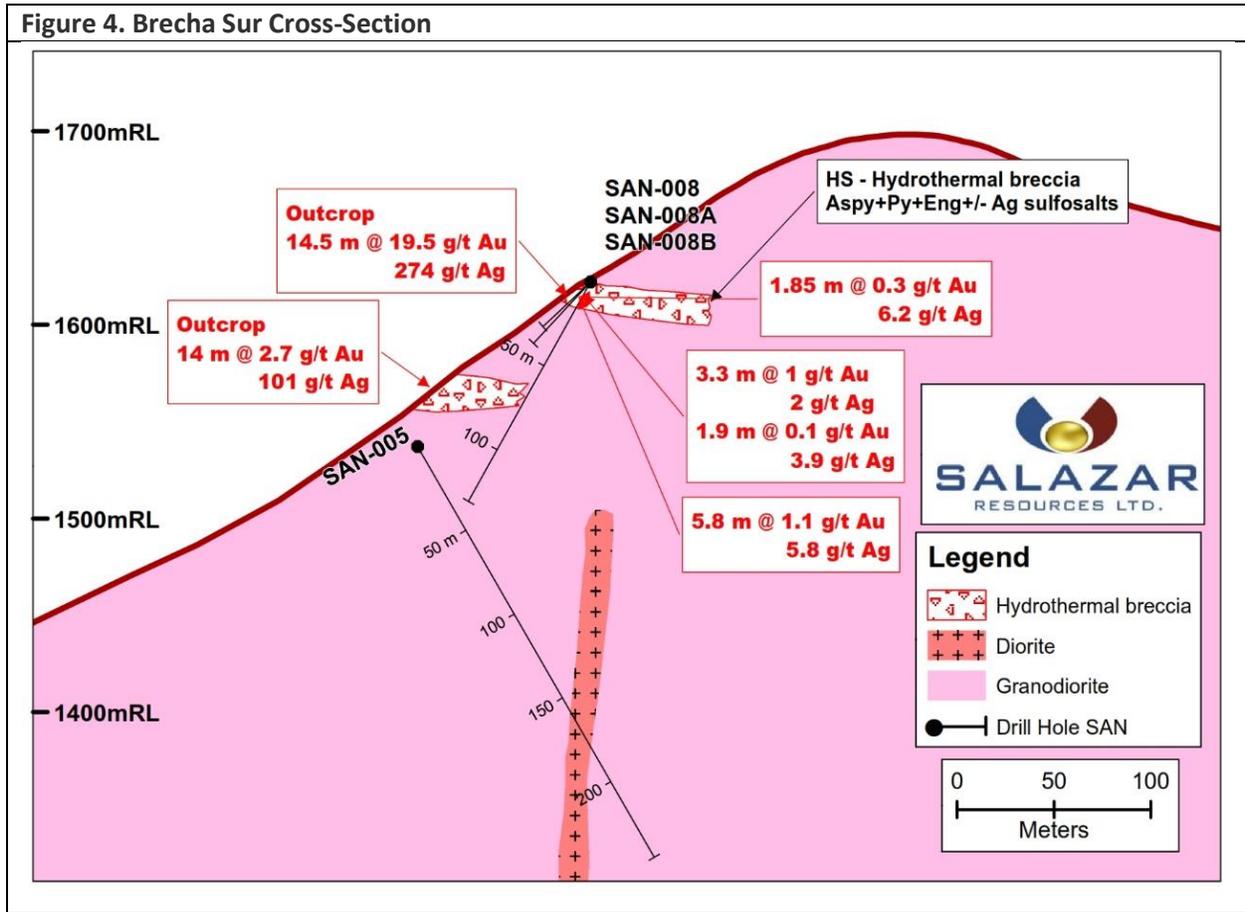
suite indicates calc-sodic alteration. The multiple zones of mineralization internally within the breccia, at the boundary, and in the country rock suggest the presence of a robust hydrothermal system. The breccia pipe and the alteration features are interpreted to be apical features of a deeper porphyry body.



### Brecha Sur

At Brecha Sur, previously reported mapping had identified a number of small lenses (20m x 10m) exhibiting classic high sulphidation mineralization in a brittle compressional structural regime. The main minerals are pyrite, arsenopyrite, enargite, tennantite, and Ag sulfosalts (pyrargyrite). Associated with the sulphide lenses is an advanced argillic assemblage consisting of kaolinite-alunite, illite-smectite, and sericite. Locally, they form hydrothermal breccias with quartz-sulphide aggregates.

Drilling in the area proved challenging as the geology found at surface was not encountered in the same style at depth. Whereas trenching had shown strong mineralization at surface, such as 14.5 m @ 19.5 g/t Au and 274 g/t Ag, drilling below the sulphide lenses did not intersect promising geology. The best drill result was 5.8 m @ 1.08 g/t Au, and that was from a depth of just 5.2 m downhole. As can be seen in Table 2, the key intersections in the four holes SAN-007A to San-008B were all made at starting depths of shallower than 14 m. Hole SAN-006 targeted a well-triangulated structure at depth below known mineralization, and it only returned 3.65 m @ 0.03 g/t Au.



### Next Steps

The intersection of mineralization at Fortuna is a play-opener at a very early stage of definition. The surface mineralization at Brecha Sur is also very strong, and a detailed review from Brecha Sur to the northeast will be undertaken by Salazar Resources in future work. A Phase 2 exploration plan at Los Santos, incorporating the new information and drillhole data will be developed.

### QA/QC

Salazar maintains a rigorous chain-of-custody and quality assurance/quality control program that includes the insertion of certified standard control samples and blanks, and re-analysis of samples with high levels (over limit) of gold, copper and zinc. All samples were analyzed by Inspectorate Services Perú S.A.C. (Bureau Veritas), a certified ISO 17025:1999 and ISO 9001:2000 laboratory. The laboratory also maintains a QA/QC program that includes insertion of blanks, standards and duplicate reanalysis of selected samples. Gold was analyzed by fire assay – atomic absorption spectroscopy (FA-AAS). Silver, copper, zinc and other elements were analyzed by aqua regia extraction with an Inductively Coupled Plasma (ICP-ES) finish.

## Qualified Person

Kieran Downes, Ph.D., P. Geo., a Qualified Person as defined by National Instrument 43-101, has reviewed and verified the technical information provided in this release.

## About Salazar Resources

Salazar Resources is focused on creating value and positive change through discovery, exploration and development in Ecuador. The team has an unrivalled understanding of the geology in-country, and has played an integral role in the discovery of many of the major projects in Ecuador, including the two newest operating gold and copper mines.

Salazar Resources has a wholly-owned pipeline of copper-gold exploration projects across Ecuador with a strategy to make another commercial discovery and farm-out non-core assets. The Company actively engages with Ecuadorian communities and together with the Salazar family it co-founded The Salazar Foundation, an independent non-profit organisation dedicated to sustainable progress through economic development.

The Company already has carried interests in three projects. At its maiden discovery, Curipamba, Salazar Resources has a 25% stake fully carried through to production. A feasibility study for initial open-pit development announced in October 2021 (the "Feasibility Study") generated a base case NPV(8%) of US\$259 million (for further information, please refer to the Company's news release dated October 26, 2021). At two copper-gold porphyry projects, Pijili and Santiago, the Company has a 20% stake fully carried through to a construction decision.

For further information about Salazar Resources, please contact Merlin Marr-Johnson, Executive Vice President and Corporate Secretary, at [merlin@salazarresources.com](mailto:merlin@salazarresources.com) or [ir@salazarresources.com](mailto:ir@salazarresources.com) or at +1 604 685 9316.

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