Denarius Metals Announces Third Quarter and First Nine Months 2022 Results

TORONTO, Nov. 28, 2022 -- Denarius Metals Corp. (“Denarius Metals” or “the Company”) (TSXV: DSLV; OTCQB: DNRSF) announced today that it has filed its unaudited interim condensed consolidated financial statements and accompanying management’s discussion and analysis (MD&A) for the three and nine months ended September 30, 2022. These documents can be found on its website at www.denariusmetals.com and by reviewing its profile on SEDAR at www.sedar.com. All financial figures contained herein are expressed in U.S. dollars unless otherwise noted.

Commenting on the third quarter and first nine months 2022 results, Serafino Iacono, Chairman and Chief Executive Officer of Denarius Metals, stated, “We are continuing to execute our strategy to create a producer of copper, zinc, lead, silver and gold from high-grade projects located in historic mining districts to meet the growing demand for polymetallic concentrates. Emphasis in the third quarter of 2022 remained on our flagship Lomero Project in the Iberian Pyrite Belt in Southern Spain with the completion of our Phase 1 drilling program and quantification of an initial Mineral Resource estimate (“MRE”). Earlier this week, we signed a definitive option agreement with Europa Metals Ltd. (“Europa”) pursuant to which Europa has granted us two options to acquire up to an 80% ownership interest in the Toral zinc-lead-silver project (the “Toral Project”) located in the Leon Province, Northern Spain. As operator, we will lead the development of this high-grade polymetallic project located in a well-mineralized historic mining area and a proactive jurisdiction that also offers us the potential for further exploration opportunities.”

The Company spent a total of $7.0 million for exploration and capital expenditures on its exploration projects in the first nine months of 2022, of which approximately $5.7 million were attributable to its Lomero Project and the balance of $1.3 million were attributable to its projects in Colombia. In the first nine months of 2021, the Company had spent a total of $1.5 million on exploration expenditures.

Denarius Metals reported a net loss for the third quarter and first nine months of 2022 of $0.7 million ($0.03 per share) and $2.3 million ($0.11 per share), respectively, primarily associated with general and administrative expenses associated with the public company, compared with a net loss in the third quarter and first nine months of 2021 of $0.9 million ($0.04 per share) and $23.4 million ($1.68 per share), respectively. The net loss for the first nine months of 2021 included a $12.9 million charge related to the RTO Transaction and a $6.7 million loss on financial instruments related to its Subscription Receipts financing to fund the acquisition and exploration of the Lomero Project.

As at September 30, 2022, Denarius Metals had a cash position of $4.3 million and will require additional sources of capital to fund ongoing operational requirements and planned exploration and capital expenditures related to its exploration and evaluation assets. To improve its capital structure in anticipation of a financing, the Company completed a 1:10 share consolidation on November 21, 2022.

In September 2022, Denarius Metals announced an initial MRE at its Lomero Project based on the results from approximately 26,000 meters completed in 83 diamond drill holes in the Company’s Phase 1 surface drilling program completed in July 2022. Drilling to date has identified mineralization over a strike of over 1 km and with a vertical extension of 400 meters.

The initial Inferred MRE at the Lomero Project comprises 10.66 million tonnes (“Mt”) at 0.45% copper, 1.02% zinc, 0.41% lead, 21 g/t silver and 2.0 g/t gold representing a copper equivalent (“CuEq”) of 1.59% and containing an estimated 48 kt copper, 109 kt zinc, 44 kt lead, 7.4 Moz silver and 0.7 Moz gold. This initial MRE also confirms the significant high gold grade potential of this project within the Iberian Pyrite Belt, as it remains open for further expansion down-dip and to the east.

The initial MRE at the Lomero Project provides a solid foundation for further mineral resource expansion in Denarius Metal’s Phase 2 drilling program which commenced in October 2021. In addition to infill drilling, the Phase 2 program also includes a directional drilling program to validate a high-grade dataset relative to this MRE associated with a historical drilling campaign of 61 horizontal underground holes that are not yet included in the above initial MRE for the Lomero Project. Denarius Metals plans to prepare an updated MRE and preliminary economic assessment in early 2023 incorporating the results of the Phase 2 drilling program.

At the Company’s Zancudo Project located in the municipality of Titiribi, in the mining district of Antioquia, Colombia, the Company has recently commenced work on a MRE for the project incorporating results from approximately 40,000 meters of drilling over the last ten years, including approximately 26,000 meters completed by IAMGOLD over the last five years. In July 2022, IAMGOLD’s Option Agreement to earn an interest in the Zancudo Project was terminated in response to a shortfall by IAMGOLD in meeting its annual work commitment. The Company granted a 1% NSR, payable in cash, to IAMGOLD on future production from the Zancudo Project and has since established a local exploration and community relations team to carry on its own work at the Zancudo Project. The Company is also evaluating the potential to implement contract mining in the historical mining areas at the Zancudo Project.

The planned initial drilling campaign at the Company’s high-grade silver-gold Guia Antigua Project in Colombia was completed in June 2022. The program, which commenced in July 2021, comprised a total of 6,699 meters of drilling in 37 drillholes and its results demonstrated that the Guia Antigua Vein System is similar in geology, structure, vein style and mineralogy to the neighboring Vera Vein of Aris Mining Corporation's Segovia Operations. Denarius Metals is currently evaluating next steps for the Guia Antigua Project.

About Denarius Metals

Denarius Metals is a Canadian junior company engaged in the acquisition, exploration, development and eventual operation of polymetallic mining projects in high-grade districts, with its principal focus on the Lomero Project in Spain. The Company has recently signed a definitive option agreement with Europa Metals Ltd. pursuant to which Europa has granted Denarius Metals two options to acquire up to an 80% ownership interest in the Toral Zn-Pb-Ag Project, Leon Province, Northern Spain. The Company also owns the Zancudo and Guia Antigua Projects in Colombia.

Additional information on Denarius can be found on its website at www.denariusmetals.com and by reviewing its profile on SEDAR at www.sedar.com.

Cautionary Statement on Forward-Looking Information

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

This news release contains "forward-looking information", which may include, but is not limited to, statements with respect to anticipated business plans or strategies, including future financings, exploration programs, expected exploration results and timing of mineral resource estimates and scoping studies. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Denarius to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Factors that could cause actual results to differ materially from those anticipated in these forward-looking statements are described under the caption "Risk Factors" in the Company's Annual Information Form dated as of November 23, 2022 which is available for view on SEDAR at www.sedar.com. Forward-looking statements contained herein are made as of the date of this press release and Denarius disclaims, other than as required by law, any obligation to update any forward-looking statements whether as a result of new information, results, future events, circumstances, or if management's estimates or opinions should change, or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, the reader is cautioned not to place undue reliance on forward-looking statements.

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