

Denarius Metals Announces 48% Increase in Inferred Mineral Resource Estimate for Its Zancudo Project in Colombia to 1,060,000 Gold Equivalent Ounces

Toronto, Ontario--(Newsfile Corp. - September 5, 2023) - Denarius Metals Corp. (TSXV: DSLV) (OTCQX: DNRSF) ("Denarius Metals" or the "Company") announced today that it has completed an updated Mineral Resource estimate ("MRE") for its 100%-owned Zancudo Project in Colombia prepared by SRK Consulting (U.S.), Inc. ("SRK") in accordance with the Canadian Institute of Mining Metallurgy and Petroleum ("CIM") Definition Standards incorporated by reference in National Instrument 43-101 ("NI 43-101") with an effective date of July 31, 2023.

Serafino Iacono, Executive Chairman and CEO of Denarius, commented, "We are nearing completion on the preparation of a preliminary economic assessment ("PEA") for our Zancudo Project. We are pleased to announce that a detailed review of the geological model as part of the PEA process has resulted in a significant increase in the tonnage in our updated MRE, which now contains over one million gold equivalent ounces. Our stage 1 construction activities at Zancudo are progressing well and we remain on track to commence operations in 2024 as planned."

Highlights of the updated MRE include:

- A 48% increase in tonnage resulted in total Inferred Resources of 4.1 million tonnes grading 6.5 g/t gold and 107 g/t silver totaling 860,000 ounces of gold and 14.1 million ounces of silver.
- At a gold equivalent grade of 8.1 g/t, the Inferred Resources increased by 48% to 1,060,000 gold equivalent ounces compared with the maiden MRE as of December 31, 2022. Both MREs were based on a 4.0 g/t cut-off grade over a 1.0 m minimum mining width.
- The increase in the updated Inferred Resources is attributable to a review of the geological model in conjunction with the Company's preparation of a PEA for the Zancudo Project. Specifically, revisions to coded intersections in conjunction with a review of the core and historical logging has led to an increase in the tonnage and metal above cut-off in the revised geological model.
- Mineralization at the Zancudo Project occurs in stacked mantos and steeply dipping veins that have been exploited over a strike length of 3,500 m. The average vein width is 0.35 m with a maximum width of 3.0 m. The known vertical extent of mineralization is 400 m.
- No new drilling has been completed in 2023. The database for the MRE includes a total of 40,100 m of diamond drilling in 149 holes, including 33 underground holes drilled in the Independencia Mine, that was carried out at the Zancudo Project by Gran Colombia Gold and IAMGOLD from 2011 through 2021.
- The Zancudo deposit remains open for further expansion in all directions.

The following table summarizes the updated Inferred MRE for the Zancudo Project effective as at July 31, 2023 and changes in tonnes, grade and ounces compared to the previous estimate as at December 31, 2022:

Effective Date	Tonnes (kt)	Grade			Material Content		
		Au (g/t)	Ag (g/t)	AuEq (g/t)	Au (koz)	Ag (koz)	AuEq ⁽⁴⁾ (koz)
July 31, 2023 ⁽²⁾	4,100	6.53	107	8.1	860	14,090	1,060
December 31, 2022 ⁽³⁾	2,776	6.45	112	8.0	576	9,974	718
Change	48%	1%	-4%	1%	49%	41%	48%

Notes:

1. Mineral resources are not ore reserves and do not have demonstrated economic viability. All figures rounded to reflect the relative accuracy of the estimates. Gold, silver, lead and zinc assays were capped where appropriate. Given historical production, it is the Company's opinion that all the elements included in the metal equivalents calculation have a reasonable potential to be recovered and sold.
2. The Mineral Resources as at July 31, 2023 are reported at an in-situ cut-off grade of 4.0 g/t AuEq over a 1.0 m mining width, which has been derived using a gold price of US\$1,850/oz and silver price of US\$23.0/oz, and suitable benchmarked technical and economic parameters for underground mining (mining = US\$105.0, processing = US\$42.0, G&A and selling costs = US\$21.0, Royalties = 3.2%).
3. The Mineral Resources as at December 31, 2022 were reported at an in-situ cut-off grade of 4.0 g/t AuEq over a 1.0 m mining width, which was derived using a gold price of US\$1,800/oz and silver price of US\$24.0/oz, and suitable benchmarked technical and economic parameters for underground mining (mining = US\$105.0, processing = US\$42.0, G&A and selling costs = US\$21.0, Royalties = 3.2%).
4. Metal Equivalent is calculated with the formula $AuEq = (Au * Au \text{ Recovery (75\%)} * AuPrice + Ag * Ag \text{ Recovery (80\%)} * AgPrice) / (Au \text{ Recovery (75\%)} * AuPrice)$.
5. It is assumed that the Project will produce a concentrate product based on assumed conventional gold and silver processing recoveries of 75% Au and 80% Ag from initial preliminary metallurgical sampling and benchmarked projects within the region.

Following completion of the initial geological model and mineral resource estimate effective as at December 31, 2022, SRK undertook some preliminary internal conceptual studies using a combined inferred mineral resource and mineralization targets defined as exploration potential, for the purpose of guiding future exploration by the Company. During these studies, SRK noted the potential for inclusion of "near" structure mineralization was material enough that a more detailed review of the geological model contacts was warranted to identify possible misallocations of structures or potential additional materials which could be incorporated into the current interpretation. SRK created the first pass on a revised mineralization model in July 2023 and collaborated with the Company's geological team to further validate the geological model based on the revised coded intersections in conjunction with a review of the drill core and historical logging.

Based on this review carried out by SRK and the Company's geological team, there has been a significant increase in the tonnage and metal above cut-off, mainly within Manto Antigua, the largest domain. SRK attributes these changes to a more detailed review of the geological logging and coding used to integrate the narrow structures into the updated estimate. Additionally in the December 2022 model, a number of low-grade intersections were incorporated which resulted in the dilution of grades due to the relatively low data populations supporting the estimate. The detailed review of the contacts and high-grade intersections in close proximity to the immediate hanging wall and footwall, plus reinterpretation to logged intervals by the Company's geologists, resulted in an increase in the average grades on a structure-by-structure basis. Using the revised interpretation, SRK updated the mineral resource estimates.

The resource estimation methodology involved the following procedures:

- Database compilation and verification;
- Construction of wireframe models for the fault networks and centerlines of mining development per vein;
- Definition of resource domains;
- Data conditioning (compositing and capping) for statistical analysis, geostatistical analysis;
- Variography;
- Block modeling and grade interpolation;
- Resource classification and validation;
- Assessment of "reasonable prospects for economic extraction" and selection of appropriate reporting cut-off grades; and
- Preparation of the updated Mineral Resource estimate.

SRK has completed the geological modelling and Mineral Resource estimate using Seequent Leapfrog. The procedure involved revision of wireframe models for the fault networks, key geological/mineralization domains, data conditioning (compositing and capping) for statistical analysis, geostatistical analysis, variography analysis, block modeling and grade interpolation followed by validation. Grade was estimated using inverse distance weighted (power 2) estimates for gold and silver. Grade estimation has been based on parent block dimensions of 20 m x 20 m x 20 m, as used in the previous 2022 model. The block size reflects potential size variations for any underground smallest mining units, but the blocks

have been subcelled to reflect the relatively narrow nature of the mineralization with a minimum block size of 0.3215 m. Classification has been limited to estimates within 125 m of the closest single hole, located in either vein or manto domains, and by more than two drillholes.

The resource evaluation work was completed by Mr. Benjamin Parsons, MAusIMM (CP#222568), according to CIM Definition Standards, who undertook a site inspection in January 2023. The updated MRE will be supported by a NI 43-101 independent report which will be published and filed on the Company's website and SEDAR profile within 45 days. Mr. Parsons is a Qualified Person as defined by NI 43-101. The NI 43-101 report will include detailed information on the key assumptions, parameters and methods used to estimate the mineral resources.

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 signed a definitive option agreement with Europa Metals Ltd. in November 2022 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's 100%-owned Zancudo Project in Colombia provides an opportunity to develop near-term production and cash flow through local contract miners and long-term growth through exploration.

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

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 the MRE, the timing to commence mining operations at the Zancudo project, the preparation of a PEA and other business plans or strategies. 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 Metals 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 April 21, 2023 which is available for view on SEDAR at www.sedarplus.ca. Forward-looking statements contained herein are made as of the date of this press release and Denarius Metals 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.

Cautionary Statement on Mineral Resources

Mineral resources are not mineral reserves and do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title,

socio-political, marketing, or other relevant issues. In particular, the quantity and grade of reported inferred mineral resources are uncertain in nature and there is insufficient exploration to define these inferred mineral resources as an indicated or measured mineral resource in all cases. It is uncertain in all cases whether further exploration will result in upgrading the inferred mineral resources to an indicated or measured mineral resource category.

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