



San Marco field crews expands Gold-Copper-Molybdenum porphyry system on the 1068 Project

Vancouver, B.C. – May 2nd, 2017: San Marco Resources Inc. (SMN: TSX-V) ("San Marco" or the "Company") announces that results from ongoing geological mapping and prospecting have confirmed and expanded the size potential of Target #1068 in Sonora State, Mexico, elevating the target to project status.

San Marco field crews completed geological and alteration mapping, stream sediment and rock chip sampling and petrographic analyses of select samples on the 1068 Project, a porphyry Gold-Copper- Molybdenum system identified by the Company's generative program (see *News Release January 19th, 2017*).

Program Highlights:

- Mapping increased the phyllic alteration (quartz, sericite, pyrite) halo surrounding the potassic alteration core to 1000m X 450 m, and defined an internal zone of strong phyllic stockwork developed in the volcanic lithocap.
- The primary target remains hypogene (sulphide) copper-gold-molybdenum mineralization hosted in feldspar/quartz/biotite porphyry.
- Initial exploration program complete
- Surface access rights secured over main targets
- Application for drilling approval from the Mexican Ministry of Environment and Natural Resources (SEMARNAT) in process.
- Project is deemed to be drill ready.

Surface exposures of the potassic altered feldspar-quartz-biotite porphyry core, exhibit multi-directional to sheeted quartz sulphide veinlets (chalcopyrite, pyrite and molybdenite) with rock chip samples up to 0.59% copper, 0.4 g/t gold and 276 ppm molybdenum. The Company believes that the 1068 Project is a classic zoned porphyry system with a broad envelope of quartz-sericite-pyrite alteration surrounding a potassic altered core. Recent mapping and sampling to the north and east of the overlying volcanic lithocap, extended the footprint of alteration and anomalous copper/gold geochemistry, suggesting the mineralized system will extend under the lithocap and beyond the limit of current exposure.

San Marco's CEO, Bob Willis stated; *"We are very fortunate to have discovered a copper, gold, moly porphyry environment so early in our regional generative exploration program. Phase I exploration at Project 1068 is complete, however, ongoing detailed geological and structural mapping, additional petrographic analysis will continue. The system is large and robust but complete testing requires sampling below the lithocap. Drilling is the next logical step to confirm if 1068 is the significant new porphyry discovery it currently appears to be."*

San Marco is currently evaluating options for further exploration on the 1068 Project, including discovery drilling of mineralized exposures on a 100% basis. The Company is also entertaining joint venture discussions with third parties. Due to the strength of the 1068 Project, any deal offered will have to be substantially accretive to San Marco shareholders to outweigh the favourable risk-reward management thinks is presented by the Company carrying out Phase I drilling itself. A final decision will be made while drill permits with SEMARNAT are being processed.

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

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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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