



---

## **TSX-V Approves Montan Mining Corp.’s Acquisition of Las Huaquillas Project Interest from Lida Resources**

**Vancouver, BC, January 18<sup>th</sup>, 2019** – Montan Mining Corp. (TSX-V: MNY | FSE: S5GM | SSE: MNYC) (“**Montan Mining**” or the “**Company**”) is pleased to announce that the TMX Venture Exchange (the “Exchange”) has provided a Conditional Approval of the Transaction to Acquire the Las Huaquillas Project, as News Released on December 6<sup>th</sup>, 2018. The Company and the Vendor will now proceed to complete the outstanding terms of the Project Purchase Agreement and the Conditional Requirements (requested by the Exchange) for the closing of the Transaction, with a view to closing the Transaction in the very near term. The binding Project Purchase Agreement with Lida Resources Inc. (“Lida”, a British Columbia company) provides for Montan Mining to acquire 100% of Lida’s interest (and any associated rights) in the Core Las Huaquillas project, where Lida owns 44.5% of the Core Las Huaquillas (“CLH”) project, through a wholly-owned Peruvian subsidiary company, Minera LBJ SAC.

At closing, Montan Mining will acquire Minera LBJ SAC from Lida. Consideration for Montan Mining’s purchase of Minera LBJ SAC will be the issue of 25,000,000 Montan Mining shares and 12,500,000 warrants (\$0.08, 5-year term) to shareholders of Lida. The remaining conditions for Closing required by the Exchange are the receipt, by Montan and evidenced to the Exchange, of signed undertakings by individual Lida shareholders whereby each shareholder undertakes to the Exchange and to the Company that he/she/it will not act in concert with any other shareholder of the Company to control the Company, and will not agree in advance on any Company matters requiring a shareholder vote with any shareholder who controls Company voting shares. A number of these undertakings have already been received by the Company.

In addition to the acquisition of the Core Las Huaquillas project, Montan Mining has moved quickly to capture the highest priority proximal areas of this highly prospective northern Peru mineralised belt through a strategic concession acquisition program aimed at consolidating all high priority prospects into the now contiguous Greater Las Huaquillas (“GLH”) project. This acquisition program has already resulted in more than doubling the GLH project area to 7,400 Ha, with more than half of this area (3,800Ha) under Montan Mining’s 100% control (refer Company News Release of December 13<sup>th</sup>, 2018). The GLH project provides Montan Mining with a substantial, transformative and immediate position in a world-class mineral province within the world-class Andean Copper Belt.

### **Greater Las Huaquillas (GLH) Project**

#### Mineral Prospectivity

Montan Mining is in the process of compiling extensive historical datasets in relation to the GLH project, including data relating to historical drilling and extensive resource appraisal studies.

In June 1998, the previous operator<sup>1</sup> of the Las Huaquillas project reported a historic geological resource for the Los Socavones Zone of **6.57 million tonnes grading 2.08 g/t Au and 25.2 g/t Ag** (at 1 g/t cut-off) for 443,000 ounces of gold and 5,300,000 ounces of silver, estimated over a 500m strike length section of a 2.2km long gold-bearing structure. Historical resource appraisal encountered shallow mineralisation in a number of drill holes. Drill hole LH97-08 drilled by Sulliden, intercepted 78 metres at 2.7g/t Au from surface, highlighting the potential for low-cost open-pit mining operations.

Following a detailed review of the project, in March 2012, a subsequent publicly listed operator<sup>2</sup> published a report indicating that the, “*Los Socavones zone alone might be able to demonstrate the potential for between 0.6 million and 4.0 million gold and gold equivalent silver ounces through future drilling, based on its historic resource estimate and assumed dip and strike length extensions within the current concession boundary.*” The report went on to outline a data table with reference to a base case of 1.4 million ounces of gold and 17.2 million ounces of silver.

***Disclaimer: A qualified person has not done sufficient work to classify the historic estimates as current mineral resources or mineral reserves; and Montan Mining is not treating the historic estimates as current mineral resources or mineral reserves. Refer to the Disclaimer & Forward-Looking Statements section of this News Release.***

Whilst these resource studies are historical in nature (non-NI 43-101 compliant), they provide the Company with confidence that the GLH represents a very large mineralised system, with numerous opportunities to potentially delineate a significant mineral resource. In addition to the precious metal endowment of the GLH, preliminary reviews of historical studies by past operators as well as the Geological, Mining and Metallurgical Institute of Peru (INGEMMET<sup>3</sup>) by Montan Mining, have also identified significant base metal prospectivity. An historical report by INGEMMET outlining encouraging metallurgical recoveries for gold and silver from samples sourced from the Los Socavones Zone, also highlights the potential to produce a zinc concentrate, from broad zones of zinc mineralisation with reported grades as high as 2-3% Zn.

In addition to the Los Socavones epithermal gold zone and associated base metal prospectivity, historic drilling outside the Los Socavones Zone also identified two potentially large porphyry copper-gold zones, Cementerio and San Antonio. These targets are well defined by geophysics, and are coincident with geochemical and geological features similar to known world-class porphyry deposits (refer presentation online, at [www.montanmining.ca](http://www.montanmining.ca) ). Although historical exploration of these targets has confirmed the presence of copper-gold mineralisation, these targets have not been sufficiently appraised to have allowed the preparation of resource estimates by prior operators.

### **Comment from the CEO**

*“The team at Montan Mining is seeking to rapidly unlock value from GLH, a world-class appraisal stage project that provides the Company with a transformative near-term growth platform. The prospect of being both a near-term gold producer at Cerro Dorado, and of working with partners to appraise a project the scale of Greater Las Huaquillas reflects the amazing opportunities we have been able to assemble in a relatively short period of time, following our recent restructure. As we relaunch the Company at the January 2019 Vancouver Resource Investment show (Booth # 839) and our growth plans unfold, we are optimistic the market will recognise the substantial intrinsic value embedded in Montan Mining, hopefully resulting in our rerating more in line with the valuations of our larger peers.*”

---

<sup>1</sup> Annual Report (1997-98), Sulliden Exploration Inc, 23 June, 1998.

<sup>2</sup> Strategic Review and Business Analysis, Inca One Resources Corp, 9 March 2012.

<sup>3</sup> Pre-Evaluation of the Technoeconomic Potential of the Epithermal Gold Resource at Las Huaquillas, INGEMMET, 31 January 1999.

*We wish all our supporters a prosperous new year and look forward to providing substantial near-term news-flow as we head into what we expect to be a transformative year for our Company.”* said Ian Graham, CEO of Montan Mining.

### **About Montan Mining Corp.**

Montan Mining Corp. is an emerging gold producer focusing on unlocking value from advanced stage mining assets in Peru. The company is backed by an experienced management team with diverse technical, market, and commercial expertise and is supported by committed and sophisticated investors focused on building long term value, now anchored by Lions Bay Capital Inc.

On behalf of the Board of Montan.

#### Ian Graham

CEO and Director

Tel: +1.604.671.1353

Email: [igraham@montanmining.ca](mailto:igraham@montanmining.ca)

For more information, please visit the corporate website at <http://www.montanmining.ca> or contact:

### **Investor Contacts:**

#### Luis F. Zapata

Executive Chairman

Tel: +1.604.358.1382

Tel: +51.999.968.827 (Peru) Email: [lzapata@montanmining.ca](mailto:lzapata@montanmining.ca)

#### Bahay Ozcakmak

Director

Tel: +61.3.9236.2800

Email: [bahay@lionsbaycapital.com](mailto:bahay@lionsbaycapital.com)

***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 NEWS RELEASE.***

***Disclaimer & Forward-Looking Statements:*** *This news release contains forward-looking statements. Forward-looking statements are statements that relate to future events or future financial performance. In some cases, you can identify forward-looking statements by the use of terminology such as “may”, “should”, “intend”, “expect”, “plan”, “anticipate”, “believe”, “estimate”, “project”, “predict”, “potential”, or “continue” or the negative of these terms or other comparable terminology. These statements speak only as of the date of this news release. This news release may also contain inferences to future oriented financial information (“FOFI”) within the meaning of applicable securities laws. The information in this news release has been prepared by our management to provide an update in the stage which an acquisition has reached (“Conditional Approval”), some context for the project acquisition and to provide the reader with an outlook for our future activities and anticipated key projects and may not be appropriate for other purposes. Forward-looking statements or inferences in this announcement include, (but are not limited to), i) that we will successfully start-up Montan Mining’s Cerro Dorado plant, and that ii) we will be granted mineral concessions resulting from our proper and paid mineral concession applications, and that iii) we will be able to successfully appraise the Greater Las Huaquillas project. The Cerro Dorado S.A.C. assets have not been the subject of a feasibility study and as such there is no certainty that the mine or the mill will be able to produce a commercially marketable product. There*

*is a significant risk that any production efforts from the project will not be profitable with these risks elevated by the absence of a defined resource and economic study. The Company's reliance on historic production and third-party gold recovery statistics is necessary under the circumstances but is not compliant with NI 43-101 reporting standards. There are increased risks and uncertainty in making a production decision without such a study and an historically higher rate of failure for production decisions not based on a feasibility study. General risks include the reliance on available data and assumptions and judgments used in the interpretation of such data, the speculative and uncertain nature of exploration and development, exploration and development costs, capital requirements and the ability to obtain financing, volatility of global and local economic climates, share price volatility, estimate price and commodity price, volatility, changes in equity markets, increases in costs, exchange rate fluctuations and other risks involved in the mineral exploration and development industry. There can be no assurance that a forward-looking statement or information referenced herein will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements or information. Also, many factors, though considered, are beyond our control. Accordingly, readers should not place undue reliance on forward-looking statements or information. We undertake no obligation to reissue or update any forward-looking statements or information except as required by law. This announcement is not, and under no circumstances is to be construed as, a solicitation or an offer of any kind. The matters set forth in this announcement does not constitute an agreement or offer that may be accepted. Accordingly, no person may bring a claim or action against another for a failure to negotiate, agree or enter into any agreement with respect to matters contained in the announcement. The technical information in this announcement relating to the Greater Las Huaquillas project has been derived from: NI 43-101 Technical Report (the "Technical Report") on the Las Huaquillas Au, Ag, Cu Property, Cajamarca, Peru (15 August 2011) prepared by Luc Pigeon, P. Geo., of Gateway Solutions SAC, a Qualified Person under NI 43-101. Montan Mining has not sought any form of consent from either the Qualified Person, or the Issuer which commissioned the Technical Report, but rather references this Technical Report in an historical context as the report was originally submitted for exchange approval on 15 August 2011. It should be noted that there has not been sufficient drilling and/or sufficient previous exploration at Las Huaquillas upon which to base a mineral resource or mineral reserve estimate compliant with the current standards of National Instrument 43-101, and Montan Mining has not undertaken any independent verification of the data contained in that report by a Qualified Person or Persons acting for Montan Mining. There has been no additional or independent verification site visits, sampling or analytical work undertaken by Montan Mining with respect to the Las Huaquillas property. Montan Mining has relied entirely upon historic disclosure relating to the Las Huaquillas project in preparing this news release.*