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## NEWS RELEASE

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Trading Symbols:

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### **Azucar Receives Mineral Vectoring Results, Identifies New Porphyry Target, Provides El Cobre Project Update**

VANCOUVER, B.C. Azucar Minerals Ltd. ("Azucar" or the "Company") (TSX-V: AMZ; OTCQX: AXDDF) is pleased to announce the results of a recently completed mineral chemistry porphyry vectoring study which has identified a new target area for a possible central porphyry system to the El Cobre project. The Company also wishes to update shareholders on the now-completed summer drill program.

- Mineral vectoring study was completed at the CODES Analytical Laboratory of the University of Tasmania and utilized chlorite and epidote samples collected from the El Cobre project earlier this year;
- Published studies show the effectiveness of this method around the world such as at the giant El Teniente Chile, Resolution, Arizona and Batu Hijau, Indonesia porphyry systems;
- Study indicates that the El Cobre district likely contains a fertile medium to large sized porphyry system;
- Most prospective area is located in the centre of the project where there has been little previous exploration drilling;
- This area coincides with a deep IP geophysical anomaly which does not crop out, within an area of moderate magnetic response. The deep IP anomaly is the deep core to the broad near surface anomaly which encompasses all the currently known areas of porphyry mineralisation on the project;
- The area also overlaps with a large area of mapped pyrophyllite, an alteration mineral often observed overlying porphyry copper-gold mineralisation;
- Field work underway to prepare for future drilling campaign.

J. Duane Poliquin, Chairman of Azucar, stated "This is an exciting development in the exploration timeline of the El Cobre project. We now have a focus area to explore for a deep porphyry target that we hope will be the centre and source of the already known large area of alteration and mineralisation covering the project area."

#### **Background to Mineral Vectoring Study Results**

The mineral vectoring study was completed at the CODES Analytical Laboratory of the University of Tasmania and utilized chlorite and epidote samples collected from the El Cobre project earlier this year. The technique employed uses trace element chemistry of epidote and chlorite to detect the likely location of porphyry copper systems in a large altered area. Published studies show the effectiveness of this method around the world such as at the giant El Teniente Chile, Resolution, Arizona and Batu Hijau, Indonesia porphyry systems. The results of the El Cobre study indicate that the district likely contains a fertile medium to large sized porphyry system. The vectoring was performed using proximity equations from the Batu Hijau, Ujina, Northparkes and El Teniente porphyry deposits. While the vectoring identified some of the known areas of porphyry mineralisation such as Norte, it provided a clear indication that the most prospective area is located in the centre of the project where there has been little previous exploration drilling. This area coincides with the location of a deep IP geophysical anomaly within an area of moderate magnetic response. The deep IP anomaly is the deep core to the broad near surface anomaly which encompasses all the known outcropping porphyry targets on the project. The closest hole to this deep core IP anomaly, which did not test the anomaly, intersected intense quartz pyrite sericite (QSP) phyllic alteration which provides further support to this new target representing a possible porphyry centre. At the same time fluid inclusion work and geologic observations indicate that

the level of exposure on the project is at the top of the porphyry environment, indicating potential for improved grades and deep porphyry mineralisation as yet undiscovered on the project. These observations include the identification of a large area of pyrophyllite alteration through previous geologic mapping. Pyrophyllite is an alteration mineral that is formed in porphyry systems and often overlies porphyry Cu-Au mineralisation. A map is provided (Figure 1) which shows the IP geophysics and pyrophyllite alteration zones relative to past drilling and previously defined targets.

Field work has already been initiated in this area in order to identify any surface alteration and mineralisation evidence and to prepare for a future drilling campaign to test this large target area.

Past drilling campaigns have returned significant porphyry copper and gold assays from multiple targets around this new undrilled target area. The previously tested and known porphyry mineralisation, including the Norte deposit on which the company has developed a resource (see below), appear to mantle and surround this new target area in a roughly arcuate zone of high magnetic response. High grade intersections from these targets highlight the potential for significant mineral endowment and for higher grade porphyry mineralisation include the following (see Figure 1 for locations):

#### Norte Zone

Hole	From (m)	To (m)	Interval (m)	Au (g/t)	Cu (%)
EC-17-018	222.40	334.50	112.10	1.35	0.48
EC-17-026	543.45	609.90	66.45	2.41	0.61
Including	543.45	569.45	26.00	4.15	1.00
EC-17-029	204.15	314.15	110.00	1.87	0.48
Including	208.15	240.15	32.00	2.57	0.57
and	264.15	300.15	36.00	2.02	0.51

#### Raya Tembrillo (1.8km South of Norte)

Hole	From (m)	To (m)	Interval (m)	Au (g/t)	Cu (%)
EC-17-037	302.00	320.00	18.00	1.25	0.52

#### Primo Zone (1.4km South of Raya Tembrillo)

Hole	From (m)	To (m)	Interval (m)	Au (g/t)	Cu (%)
EC-19-086	868.40	918.00	49.60	0.99	0.61
Including	878.40	914.40	36.00	1.10	0.68

#### Porvenir Zone (2.5 km SE of Norte, 1.0 km west of Primo)

Hole	From (m)	To (m)	Interval (m)	Au (g/t)	Cu (%)
EC-17-040	243.00	255.00	12.00	2.43	0.82
EC-18-056	381.50	408.00	26.50	1.72	0.34

#### Drilling Update

Further to the Company's August 11, 2021 press release, Azucar has now received all assay results from the two holes drilled at El Cobre during the summer. Hole EC-21-113 returned a short intercept in the Raya Tembrillo oxide area (see Azucar news release of May 18, 2021) of 4.95 metres averaging 0.75g/t gold and 0.71% copper. Further oxide zone drilling in this area is currently being reviewed.

The recently completed drill program included a hole at the Pedregal Target and a hole at the Raya Tembrillo Target within Villa Rica Zone. A hole planned for the large area of alteration and mineralisation of the Encinal Zone has been deferred until more detailed geologic work and review is complete.

#### About the El Cobre Project

A detailed summary of the project is provided on the Company's website but in brief the El Cobre project covers a 5 km trend of porphyry copper-gold associated alteration and mineralisation along which five separate zones have now been identified and explored in past drilling campaigns (see Figure 1). On September 29, 2020, the Company released an initial mineral resource estimate on the project from only the Norte Zone. The base case resource estimate (using a net smelter return cutoff of US\$12/tonne) for the Norte Zone is comprised of an **indicated resource of 1.2 Moz AuEq** (47.2 million tonnes grading 0.49 g/t Au, 0.21% Cu 1.4 g/t Ag) **and an inferred resource of 1.4 Moz AuEq** (64.2 million tonnes grading 0.42 g/t Au, 0.18% Cu and 1.3 g/t Ag). Further details of the resource estimate are provided below.

At the Villa Rica Zone, located about 1.8 km south of the Norte Zone, the Company plans to further explore the Raya Tembrillo Target. Initial drilling in 2017 on the Raya Tembrillo Target intersected two styles of mineralisation; hypogene

copper-gold porphyry mineralisation (115.00 metres of 0.57 g/t gold and 0.27% copper, see press release of November 28, 2017) and near surface enriched copper mineralisation with an apparent tabular distribution (94.00 metres of 1.36% copper; see press release of December 13, 2017). At the Encinal Zone, located 4.3 kilometres to the southeast of the Norte Zone, the Company is conducting a more thorough review of the geological, geochemical and geophysical datasets in order to design a future drill program to follow-up past drill results. On June 29, 2017 Azucar announced the results of initial drilling on this exposed stockwork (Hole EC-17-025) that returned results including 34.47 metres grading 0.73 g/t Au and 0.20% Cu.

More information on El Cobre is available on the Azucar website at <http://www.azucarminerals.com>.

### **Technical Details and the El Cobre NI 43-101 Technical Report**

For details on the estimation of mineral resources, including the key assumptions, parameters and methods used to estimate the Mineral Resources at the El Cobre property, Canadian investors should refer to the report dated effective November 13, 2020, and titled "NI 43-101 Technical Report Mineral Resource Estimate on the El Cobre Copper-Gold-Silver Property, Veracruz State, Mexico" which is available under Azucar Minerals' profile on SEDAR ([www.sedar.com](http://www.sedar.com)) and on the Company's website. The Technical Report was authored by Kris Raffle, P.Geo. of APEX Geoscience Ltd., and Sue Bird, M.Sc., P.Eng. of Moose Mountain Technical Services. The NSR and AuEq values were calculated using US\$1,500/oz gold, US\$3.00/lb copper and US\$18/oz silver, and using metallurgical recoveries of 88% for gold and copper, and 70% for silver.

Mr. Norm Dircks, a Certified Professional Geologist (AIPG, CPG-11938) is a Qualified Person as defined by National Instrument 43-101 ("NI 43-101") and has reviewed and approved the contents of this news release relating the new drill results. Morgan Poliquin, Ph.D., P.Eng. a Qualified Person under NI 43-101 the President and CEO as well as a Director of the Company reviewed and approved the other technical information. The porphyry mineralisation reported in this news release is associated with broad areas of alteration and stockwork veining. True widths cannot be determined at this time. The analyses reported were carried out at ALS Global Laboratories of North Vancouver using industry standard analytical techniques. For gold, samples are first analysed by fire assay and atomic absorption spectroscopy ("AAS"). Samples that return values greater than 10 g/t gold using this technique are then re-analysed by fire assay but with a gravimetric finish. For copper, samples are first analysed by Inductively Coupled Plasma – Atomic Emission Spectroscopy ("ICP-AES"), with four acid digestion. Samples that return values greater than 10000 g/t copper using this technique are then re-analysed by HF-HNO<sub>3</sub>-HClO<sub>4</sub> digestion with HCL leach and ICP-AES finish. Blanks, field duplicates and certified standards were inserted into the sample stream as part of Azucar's quality assurance and control program which complies with National Instrument 43-101 requirements.

### **About Azucar**

Azucar is an exploration company exploring the El Cobre project in Veracruz, Mexico, which covers multiple gold-rich porphyry targets, as demonstrated by recent drilling. Azucar holds a 100% interest in the El Cobre project, subject to net smelter returns ("NSR") royalty interests, assuming production from the property exceeds 10,001 tonnes per day of ore, totaling 2.25% which can be reduced to 2.0% though the payment of US\$3.0 million.

On behalf of the Board of Directors,

*"J. Duane Poliquin"*  
J. Duane Poliquin, P.Eng.  
Chairman  
Azucar Minerals Ltd.

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