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[San Marco Resources Inc.](#) (TSX VENTURE:SMN) ("San Marco" or "the Company") announces it is arranging a private placement to raise gross proceeds of up to C\$ 1,260,000 through the sale of up to 7,000,000 Units in the Company ("the Units") at a price of \$0.18 per Unit (the "Offering"). There is no minimum number of Units being offered.

Each Unit shall consist of one common share of the Company (a "Share") and one-half of one common share purchase warrant. Each whole warrant (a "Warrant") shall entitle the holder to purchase one common share at an exercise price of C\$0.35 for 18 months following the Closing Date.

The placement will be sold to qualified investors, including shareholders of record on September 27, 2017 resident in Canada. Such shareholders of record are eligible to purchase up to \$15,000 worth of Units or more than \$15,000 worth based on suitability advice from a registered investment dealer. If, after deducting subscriptions from qualified investors, the subscriptions from existing shareholders exceed the remaining Units available, such remaining Units will be sold to the existing shareholders in proportion to the number of Units subscribed for by them. All the securities issued pursuant to this private placement will be subject to a four month hold period. Completion of the Offering is subject to receipt of all required regulatory and other approvals, including acceptance by the TSX Venture Exchange.

The Company may pay a finders' fee in respect of certain subscribers in accordance with the policies of the TSX-V.

Up to approximately \$800,000 of the gross proceeds from the Offering will be used to continue exploration work on the Company's properties and the balance of up to approximately \$460,000 will be used for general corporate purposes. Such properties include the Chunibas Project where the Company recently announced a newly discovered porphyry-related breccia gold system (see *news release dated September 21st, 2017*) and advancing the 1068 Project where the Company also recently announced high priority drill targets have been identified on this undrilled copper, molybdenum and gold porphyry system discovered from San Marco's generative program (see *news release September 26th, 2017*).

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States of America. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended, (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons (as defined in the U.S. Securities Act) unless registered under the U.S. Securities Act and applicable state securities laws, or an exemption from such registration requirement is available.

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 56,201,832 issued and outstanding shares.

On behalf of the Board of Directors,

Robert Willis, P. Eng., President & CEO

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.

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.

Neither the TSX Venture Exchange nor the Investment Industry Regulatory Organization of Canada accepts responsibility for the adequacy or accuracy of this release.

Contact

[San Marco Resources Inc.](#)

Nancy Curry

info@sanmarcocorp.com

www.sanmarcocorp.com