Minsud Resources Corp. announces results of the scout-drilling program at the Chinchillones Porphyry in the Chita Valley Project

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TORONTO, June 23, 2020 - Minsud Resources Corp. (TSXV: MSR) ("Minsud" or the "Company") is pleased to announce the results of the 6 hole, 3,559 meters scout drilling program completed at the Chinchillones Porphyry and Epithermal Complex, part of the Chita Valley Project. The exploration survey was based on the results of the geophysics carried out during December 2019, where a porphyry and epithermal anomalies were identified.

The objective was to determine the possible presence, as the geophysical and conceptual models indicated, of a porphyry-type system below the Chita Valley and of an epithermal target hosted in the lithocap cover.

The results of this exploration scout program and the revision of historical drill results performed in the Chinchillones area, have provided some intercepts that support the presence at shallow and at down depth level of a Zn-Pb-Cu-(Ag-Au) polymetallic epithermal system.

Table 1 below highlights the main mineralized intersections near the surface and in depth with highly anomalous Au-Ag-Cu-Mo-Pb-Zn. Two intrusive phases have been recognized, a quartz-diorite, cut by an inter mineral dacite porphyry, both affected by an intensely, widespread, quartz sericite alteration. B and D porphyry style quartz veins forming strong stockwork, are present in both lithologies.

Drill hole CHDH20-04 intercepts continuous 739.70 m of a diorite porphyry. The diorite porphyry is cut by polymetallic epithermal veins and hydrothermal phreatic breccias mineralized with pyrite, chalcopyrite, sphalerite, galena and tenantite.

Evidences of secondary enrichment is represented by covelite-digenite in a partial replacement of chalcopyrite. This mineralized style represents a telescopic sequence of alteration-mineralization zones, from shallow argillic and underlying quartz-sericite to deeper chlorite-sericite and minor remnant potassic of a classic porphyry system type.

Table 1: Chinchillones Diamond Drilling Program – Summary of Analytical Results

Hole ID	From	To	Length	Au	Ag	Cu	Mo	Pb	Zn
	(m)	(m)	(m) (*)	g/t	g/t	%	ppm	ppm	ppm
CHDH20-01	34.00	94.00	60.00	0.04	1.05	0.16%	67	62	21
CHDH20-02	16.00	45.00	29.00	0.16	15.15	0.19%	46	242	604
Incl.	44.00	45.00	1.00	0.27	66	0.93%	46	2030	4910
	86.00	112.70	26.70	0.37	64.23	0.45%	69	1055	2847
Incl.	98.00	100.00	2.00	1.07	262	2.16%	34	2978	14050
	44.00	220.00	176.00	0.12	16.18	0.17%	109	506	1711
Incl.	52.00	160.00	108.00	0.15	21.37	0.20%	82	599	2034
	87.00	100.00	13.00	0.42	84.28	0.64%	44	1659	4300
CHDH20-03	Intercepts hydrothermal pyrite halo								
CHDH20-04	16.00	44.00	28.00	0.64	73.35	0.02%	22	1068	130
Incl.	32.00	40.00	8.00	0.61	154.25	0.02%	34	2061	149
	54.00	581.50	527.50	0.09	8.49	0.09%	37	1177	3243
Incl.	96.00	126.00	30.00	0.23	10.79	0.14%	54	723	3081
	260.00	406.00	146.00	0.12	12.03	0.09%	40	1969	5044
	634.00	738.00	104.00	0.02	8.77	0.29%	202	1111	3365
CHDH20-05	154.00	174.00	20.00	0.13	9.43	0.22%	48	93	1534
	169.70	191.00	21.30	0.21	18	0.33%	37	95	1325
Incl.	169.70	174.00	4.30	0.29	35.2	0.63%	20	236	4721
	178.00	191.00	13.00	0.22	17.58	0.32%	40	68	540
	360.00	364.00	4.00	0.48	4.03	0.03%	28	71	558
	581.35	582.00	0.65	0.21	9.1	2.60%	318	11	347
CHDH20-06	96.00	97.00	1.00	0.96	56.80	1.32%	6	1345	4780
	168.00	170.00	2.00	0.18	12.40	0.12%	6	939	3520

(*) Intervals reported in the above table are not true thicknesses

Historical drilling data in the Chinchillones area is shown in Table 2 below and it highlights the most significant intersections of Polymetallic Au-Ag-Cu-Mo-Pb-Zn grades values.

These results support and are indicative of the high potential of the polymetallic epithermal Au-Ag-Cu-Pb-Zn trend in the Chinchillones target and its continuity to the East and Northeast.

Table 2: Chinchillones historical drilling data

Hole ID	From (m)	To (m)	Length (m) (*)	Au g/t	Ag g/t	Cu %	Mo ppm	Pb ppm	Zn ppm
CHS-11-01	70.00	74.00	4.00	0.13	12.9	0.18%	4	50	218
	119.00	142.00	23.00	0.02	10.12	0.20%	8	671	2505
	151.00	168.00	17.00	0.02	19.17	0.07%	7	1444	7283
CHS-11-03	12.00	15.00	3.00	0	3.51	0.04%	5	1291	3188
	21.00	24.00	3.00	0	4.06	0.01%	10	642	1458
	38.00	45.00	7.00	0.11	14.13	0.02%	6	5193	13143
	98.00	101.00	3.00	0.18	37.47	0.06%	3	6479	8590
CHS-11-04	15.00	21.00	6.00	0.02	16.31	0.17%	5	258	340
	35.00	45.00	10.00	0.02	5.62	0.04%	6	504	1967
	57.00	72.00	15.00	0.07	30.12	0.11%	7	886	4159
	125.00	130.00	5.00	0.26	52.55	0.33%	3	327	807
	135.00	168.00	33.00	0.05	13.33	0.05%	3	605	2021
CHS-11-05	81.00	104.00	23.00	0.07	8.51	0.01%	3	546	5604
Incl.	100.00	102.00	2.00	0.35	41.04	0.01%	3	1135	43658
	108.00	115.00	7.00	0.07	13.53	0.01%	4	1351	4478
	135.00	146.00	11.00	0.13	34.5	0.02%	3	4422	15187
MSA08-A	98.00	129.00	31.00	0.01	0.41	0.11%	146	14	112
	136.00	149.00	13.00	0	0.06	0.09%	158	10	131
	167.00	180.00	13.00	0.03	1.66	0.09%	110	32	208
	222.00	239.00	17.00	0.08	0.53	0.19%	101	39	396
	264.00	276.00	12.00	0.01	0.07	0.04%	184	10	118
MSA08-C	21.00	28.00	7.00	0.01	3.24	0.76%	4	365	307
	31.00	80.00	49.00	0.07	13.82	0.05%	16	1884	6960
	87.00	91.00	4.00	0.04	5.48	0.01%	6	230	1210
	104.00	108.00	4.00	0.16	94.08	0.24%	6	4204	5225
	127.00	133.00	6.00	0.18	90.01	0.27%	5	1126	2017
	141.00	215.00	74.00	0.11	43.83	0.13%	8	2565	10286
	240.00	279.00	39.00	0.02	5.74	0.02%	6	1289	4116

C-96-01	14.00	22.00	8.00	0.1	5.75	0.00%	No data	1784	61
	66.00	78.00	12.00	0.11	9.52	0.35%	No data	1292	2557
	126.00	142.00	16.00	0.09	11.36	0.08%	No data	1465	7763
C-96-02	56.00	74.00	18.00	0.07	4.07	0.03%	No data	882	2547
Incl.	56.00	60.00	4.00	0.2	12.7	0.10%	No data	3113	7230
	108.00	120.00	12.00	0.09	4.52	0.02%	No data	635	2503
C-96-03	110.00	120.00	10.00	0.21	6.24	0.65%	No data	146	250
C-96-04	32.00	94.00	62.00	0.05	4.39	0.01%	No data	907	2354
	144.00	170.00	26.00	0.21	13.38	0.10%	No data	1767	6558
Incl.	166.00	170.00	4.00	0.75	49.8	0.53%	No data	5808	16050

(*) Intervals reported in the above table are not true thicknesses

Conceptual Geological Model at Chinchillones

The Map 1 below displays the existing mineralized vein system (in red lines) open to the East and Northeast configuring a namely "Linked Area" between Chinchillones and Chita porphyry target that highlights untested porphyry system and epithermal veins associated.

This recent fieldwork also highlights the potential for a porphyry and epithermal system at shallow depths and suggests the presence of a long-lived mineralization system open to the East and linked with the Chita Porphyry, located 2 km to the East.

As cooling of the intrusive complex progressed at Chinchillones, the structural and chemical character of the mineralizing environment changed largely in response to the inflow of meteoric water, represented by near vertical presence of type D veins and phreatic breccia.

With continued cooling, upper and peripheral zones of late alteration process and mineralization progressively collapsed inward and downward over zones of early mineralization, penetrating deeper along continuous vein structures (East-West structural system) as it is seen at the north and south border of the Chita valley.

In the last stages, an acid hot-spring system was established in the upper portions of the deposit (Phreatic Breccia at Chinchillones). Finally, a relatively minor intrusion of late dacite dikes into this hot-spring system caused brecciation and mineralization. This sequence can be observed in drill hole CHDH20-02, where banded quartz veins with anomalous values of Au-Ag have been identified.

Map 2 shows the relationship, along the East-West Chita Valley, of West Chinchillones Project, Central link area project and the outcropping Chita Porphyry to the East.

Quality Assurance/Quality Control

Diamond drill core was sampled as half core at two meters intervals and check samples were submitted to the ALS Minerals Laboratory in Mendoza, Argentina for preparation and analysis. ALS is certified to ISO-9001 international standards. All samples were analyzed for Au by fire assay/ AA finish, 50 plus a 33-element ICP scan. Minsud has followed all industry standard procedures for the work with a quality assurance/quality control (QA/QC) program including the systematic utilization of certified reference materials, blanks, field duplicates and check assays. Field duplicates, standards and blanks were included with all sample shipments to the principal laboratory.

Minsud's VP-Exploration, Dr. Mario Alfaro, conducted site visits and detected no significant QA/QC issues during review of the data. Mr. Mario Alfaro, Professional Geoscientist and a geological consultant, is a qualified person as defined by Canadian National Instrument 43-101. Mr. Alfaro visited the property and has read and approved the contents of this release.

About Minsud Resources Corp.

Minsud is a mineral exploration company focused on exploring its flagship Chita Valley Cu-Mo- Au-Ag Project, in the Province of San Juan, Argentina. On March 26, 2018, Minsud filed a National Instrument 43-101 ("NI 43-101") Technical Report and updated Mineral Resource Estimate on the Chita South Porphyry Deposit. The Mineral Resource Estimate considers copper as a primary consideration along with molybdenum, gold and silver mineralization. The latest estimate includes Indicated Resources of 33.02 million tonnes at a grade of 0.43% Cu, 0.07 g/t Au. 2.28 g/t Ag and 0.018% Mo and Inferred Resources of 8.59 million tonnes at a grade of 0.40% Cu, 0.07 g/t Au. 1.73 g/t Ag and 0.016% Mo.

The Company also holds a 100% owned portfolio of selected early stage prospects, including 6,000 ha in Santa Cruz Province, Argentina.

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