Southern Empire Resources Corp. Updates its Méxican Operations

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VANCOUVER, Dec. 30, 2021 - Southern Empire Resources Corp. (Southern Empire) (TSXV: SMP) (Frankfurt: 5RE) (OTC: SMPEF) has received preliminary high-resolution, airborne magnetic and radiometric geophysical data covering the Pedro Gold Project, located in northeastern Durango State, México.

The Pedro Gold Project has the potential to host epithermal, bonanza-grade precious metal vein deposits as indicated by the HP Breccia Zone that was discovered in 2012 by regional grassroots prospecting.

In December 2021, Terraquest Ltd. of Markham, Ontario, collected 393.2 line-kilometers (km; ~244 line-miles) of airborne geophysical data on flight lines that were flown at azimuth 060º / 240º with 50 metre spacings. This data has been delivered to Condor Consulting, Inc. of Lakewood, Colorado; experts in geophysical processing, analysis and inversion modeling.

David Tupper, P.Geo., Southern Empire's Vice President of Exploration stated,

"The results of our preliminary airborne magnetic data provide some strong clues about the structural setting and underlying 'plumbing system' of the HP Breccia gold zone. Together with the regional government magnetics, we see evidence for a deeper intrusive body that could be linked to the hydrothermal fluids and related potential for epithermal vein systems that are the target of Southern Empire's upcoming drill campaign."

Servicios de Ingeneria Ambiental y Seguridad S.A. de C.V. of Durango, México has mobilized a diamond drill rig to the Pedro Property and is scheduled to start a 2,000 metre (m; 6,560 feet), nine-hole core drill program in January of 2022.

Pedro Gold Project Highlights:

- Outcropping epithermal gold targets with potential for bulk mineable and bonanza-grade vein deposits
- 4,000 m by 1,000 m gold-in-soil anomaly coincident with gold-bearing, silica-rich breccia outcrops
- Additional gold targets identified beneath post-mineral cover by 2020 geochemical survey
- Historical reverse circulation and core drilling by Newmont in 2014 that confirmed the presence of gold
- In 2019, a 70 line-kilometer IP survey identified vertical, feeder vein targets that are not yet drill tested
- Permits established for up to 25 drill holes
- Mineral concessions cover ~1,750 hectares ("ha"; 4,324 acres) of private ranch lands
- Located in Durango, a mining-friendly state in north-central México
- Good access to the project area, ~80 km (50 miles) west-northwest of the city of Torreón
- Local infrastructure available in the nearby town of Mapimí

Nine proposed Phase 1 drill locations are projected onto the preliminary airborne magnetic data in Figure 1 and the historical Induced Polarization (IP) chargeability and gold geochemistry in Figure 2.

Southern Empire holds the Pedro Gold Project through an agreement with Commander Resources Ltd. (TSX-V: CMD) allowing Southern Empire to acquire a 100% beneficial interest. Please see Southern Empire's news release of July 27, 2021, for further information about the Pedro Gold Project.

Qualified Person

The scientific and technical information contained in this news release has been prepared, reviewed, and approved by David Tupper, P.Geo. (British Columbia), Southern Empire's VP Exploration and a Qualified Person (QP) within the context of Canadian Securities Administrators' National Instrument 43-101; Standards of Disclosure for Mineral Projects (NI 43-101).

Other Corporate Developments

Southern Empire has entered into an option agreement with Riverside Resources Inc. (Riverside; TSX-V: RRI) that grants Southern Empire the opportunity to acquire a 100% interest in the 647 ha (~ 1600 acres) VLM Project located in northwestern México. Southern Empire may acquire the VLM Project by paying a total of CAD$137,500 and issuing a total of 1,625,000 common shares over a period of two years from the approval of the TSX Venture Exchange (TSX-V). Future production will be subject to net smelter return royalties, payable to Riverside, of 2.5% on precious metals and 1.75% on base metals. These royalties may be reduced to 1% on precious metal production and 0.5% on base metal production by payments of an additional CAD $4 million within ten years of the TSX-V approval date.

About Southern Empire Resources Corp.

Southern Empire is focused on the acquisition, exploration and development of metals and minerals deposits in North America.

In northeastern Durango State, México, Southern Empire has an option to acquire a 100-per-cent beneficial interest in the 1,750-hectare Pedro Gold Project where 2014 drilling by a subsidiary of Newmont Mining Corporation encountered epithermal gold mineralization within basal conglomerates of the Ahuichila Formation. Please see Southern Empire's news release of July 27, 2021, for further details.

In the Cargo Muchacho mountains of Imperial County, California, Southern Empire owns 100 percent of the historical gold-producing American Girl mine property and holds options to acquire a 100 percent interest in the adjacent 2,160-hectare (5,338-acre) Oro Cruz property located approximately 22.5 kilometres (14 miles) southeast of the operating Mesquite gold mine of Equinox Gold Corp.

At Oro Cruz, extensive historical drilling and large-scale open-pit and underground mining of the American Girl, Padre y Madre, Queen, and Cross oxide gold deposits by the American Girl Mining Joint Venture (AGMJV; ultimately owned 53 percent by MK Gold Company and 47 percent by Hecla Mining Company) occurred between 1987 and 1996. During that time, gold was recovered by either heap leaching of lower-grade, or milling of higher-grade ores until AGMJV operations ceased in late 1996 because of declining gold prices leaving the Oro Cruz property with many gold exploration targets in addition to the historical inferred resource estimate, reported In 2011 by Lincoln Mining Corp., totaling 341,800 ounces gold based on 4,386,000 tonnes averaging 2.2 grams gold per tonne (g/t Au) at a cut-off grade of 0.68 g/t Au (4,835,000 tons at 0.07 ounce gold per ton; Please refer to the Cautionary Notice Regarding the Oro Cruz Property Historical Resource Estimate below).

On behalf of the Board of Directors of Southern Empire Resources Corp.,
Dale Wallster, CEO and Director

For further information on Southern Empire please visit: www.smp.gold and SEDAR

Cautionary Notice on Forward-Looking Information

Information provided in this news release may contain forward-looking information or forward-looking statements that are based on assumptions as of the date of this news release. Such information or statements reflect management's current estimates, beliefs, intentions, and expectations and are not guarantees of future performance. Southern Empire cautions that all forward-looking statements are inherently uncertain and that actual performance may be affected by many material factors, many of which are beyond its respective control. Such factors include, among other things: risks and uncertainties relating to Southern Empire's limited operating history, the need to comply with environmental and governmental regulations, results of exploration programs on its projects, and those risks and uncertainties identified in its annual and interim financial statements and management discussion and analysis. Accordingly, actual and future events, conditions, and results may differ materially from the estimates, beliefs, intentions, and expectations expressed or implied in the forward-looking information. Except as required under applicable securities legislation, Southern Empire undertakes no obligation to publicly update or revise forward-looking information.

Cautionary Notice Regarding Historical Resource Estimate

The Oro Cruz Project historical resource estimate outlined above is disclosed in a technical report dated April 29, 2011, prepared for Lincoln Mining Corp. by Tetra Tech, Inc. and filed on Canadian Securities Administrators' System for Electronic Document Analysis and Retrieval (SEDAR). It is termed an inferred mineral resource, which is a category set out in NI 43-101. It was based on historical reverse circulation and core drill hole sample, underground channel sample, and blasthole sample assay results and calculated using ordinary kriging to estimate gold grades in 10-foot-by-10-foot-by-five-foot blocks. Accordingly, Southern Empire considers this historical estimate reliable as well as relevant as it represents key targets for future exploration work. However, a QP has not done sufficient work to verify or classify the historical estimate as a current mineral resource and Southern Empire is not treating this historical estimate as current mineral resources.

Work Programs During the COVID-19 Pandemic

The timing of Southern Empire's exploration programs will be contingent on governmental regulations regarding the COVID-19 pandemic and also the availability of exploration-related personnel, drill contractors, equipment, lodging, et cetera. Southern Empire will adhere to COVID-19 directives regarding safe working practices putting worker, community and national safety first and will proceed with exploration and development work programs only if potential COVID-19 risks can be effectively managed.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the Exchange) accept responsibility for the adequacy or accuracy of this release.

SOURCE Southern Empire Resources Corp.

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