Southern Empire Options Centauro Gold Project, Chihuahua, México; Starts Field Exploration Programs

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VANCOUVER, Dec. 12, 2022 - Southern Empire Resources Corp. (Southern Empire) (TSXV: SMP) (Frankfurt: 5RE) (OTC: SMPEF) announces that it has expanded its mineral property portfolio in México by entering into an Option Agreement to acquire a 100% interest in the Centauro property ("Centauro") located in southeastern Chihuahua State, approximately 100 kilometres ("km") northwest of its Pedro Gold Project located in northern Durango State.

"The acquisition of Centauro directly ties into our thesis that certain geological terrains of northcentral México are highly prospective to host "Carlin-style" and/or low sulphidation epithermal gold deposits. The many Carlin-style geological features we see at both Centauro and Pedro strongly support this concept," stated David Tupper, Southern Empire's VP of Exploration.

The Centauro property is a near analogue to Southern Empire's Pedro Gold Project, located in the Mapimí area of Durango State. Centauro's significant potential to host "Carlin-style" and/or epithermal precious metal mineralization is exhibited by:

- extensive brecciation, silicification and argillization of the Tertiary-age Ahuichila Formation limestone-dominated conglomerate unit over an area of approximately 2.5 by 1.5 km
- a gold ("Au"), arsenic ("As"), antimony ("Sb"), mercury ("Hg"), thallium, silver, barium soil geochemical signature associated with a silicified mesa "cap" covering 2.5 km along the strike of the main zone
- outcrops containing Carlin-style indicator minerals including arsenopyrite, realgar, orpiment and stibnite, in a black, silicified limestone-dominated conglomerate
- low to non-anomalous base metal values throughout the property

Photos 1 & 2: Tertiary-age, silicified limestone conglomerate breccia with arsenopyrite, pyrite, realgar and orpiment mineralization located on the Centauro Gold Project.

The Centauro Gold Project currently comprises two core mineral claims, totalling 500 hectares, (approximately 1236 acres) located in southeastern Chihuahua State immediately north of the Durango State border and approximately 70 km south of the city of Jiménez (see Figure 1).

The highly anomalous Hg, As, Sb values, low base metal values coupled with the anomalous Au and Ag, suggest that the level of more significant precious metals deposition remains at depth below the currently exposed part of the system.

Work Programs Initiated

Accurate alteration mineral maps are an essential guide to successful exploration when working on hydrothermal-associated mineral deposit systems. For Centauro, Southern Empire, contracted PhotoSat Information Ltd. ("PhotoSat") to provide maps of alteration mineral suites typically associated with epithermal precious metal deposits, using their proprietary processing methods for 16 band WorldView-3 and high-resolution ASTER satellite optical spectral data. Results of the PhotoSat studies show significant trends highlighting argillic, sericite, and chlorite alteration. The strong silica cap present at Centauro is highlighted by the ASTER silica plot shown in Figure 2.

Southern Empire has completed the collection of an initial 396 soil samples at 50-metre ("m") spacings along east-west lines, spaced 100 to 200m apart, that infill and expand upon a 2008 geochemical survey on lines

having 400 and 600m spacing that covered a zone of prospective alteration and mineralization over four km strike length. Samples collected will be submitted to ALS Laboratories Ltd. in Chihuahua for analyses.

Figures 2 & 3: Oblique view of the Centauro Property from the northwest showing:

- Satellite image (March 2007) of interpreted silica alteration (PhotoSat, December 2022)
- Induced Polarization (IP) apparent chargeability at true depth 260m, highlighting a potential drill target on the north area (Geofísica TMC, S.A. de C.V., 2013)

Exploration History of the Centauro Property

The primary area of exploration interest on the Centauro property is a 2.5 by 1.5 km corridor that was subject to preliminary, low-density investigations completed by previous operators Silver Spruce Resources Inc. (2007 to 2009) and Mundoro Capital Inc. (2012 and 2013). Their past work included:

- Geological mapping and prospecting
- Surface alteration mapping using TerraSpec spectrometer mineral analysis
- Collection of 211 soil samples at 50m centres on six widely-spaced (300m to 700m), 060º azimuth lines with subsequent analysis by multielement Induced Coupled Plasma ("ICP") techniques
- A 73.0 line-km ground magnetic geophysical survey over twenty-four 200m spaced lines
- 8.6 line-kilometres (line-km) of Induced Polarisation/Resistivity ("IP") geophysical surveys over four 500 to 700m spaced lines by Geofísica TMC, S.A. de C.V. (see Figure 3)
- Completion of 27 NQ core drill holes totaling 5,824.5m on 200m to 700m spaced section lines; 100% of this drill core was split, sampled and analyzed for Au and indicator elements by ICP

Although based on a limited, widely spaced line density, the 2013 IP/Res survey work highlights a potential chargeability anomaly on the north end of the grid that occurs below the depth of the historical drilling and remains untested.

The 2008 and 2009 drilling completed by Silver Spruce Resources Inc. was at very wide drill hole spacings (200 to 400 metres) and outlined significant areas of anomalous gold mineralization within extensive zones of silica and argillic alteration, the latter exhibited in multiple drill holes including hole CEN08-10 (NAD27 (13R) 555443 mE / 2945041 mN); see Photo 3.

Photos 3: Core interval from drill hole CEN08-10 with intense argillic alteration (kaolinite) averaging 232 ppb Au, 5.5 ppm Ag, 1,328 ppm As, 102 ppm Hg, 50.8 ppm Sb & 4.4 ppm Mo over 6.7 m starting at 88.4 m (weighted average of samples 7859 through 7862).

TABLE 1

Centauro Property core drilling - 2008/2009 Composite Analyses

Hole	From	To	Length	Au (ppb)	Ag (ppm)	Hg (ppm)	As (ppm)	Sb (ppm)	Mo (ppm)
CEN-08-07	9.0	59.0	50.0	284	2.4	100	565	66	19
incl.	55.2	57.2	2.0	4340	13.4	57	689	16	32
CEN-08-10	3.0	91.1	88.1	237	8.4	2718	1178	15	239
incl.	3.0	10.5	7.5	1922	62.8	2554	1358	1.3	486
CEN-09-15	12.0	82.9	70.9	145	6.5	21	1098	202	10
CEN-09-16A	36.0	148.4	112.4	125	7.5	20	968	124	8
CEN-09-27	9.0	43.4	34.4	232	5.7	23	1127	272	2

Planned Exploration Work

Southern Empire plans to undertake exploration work programs in 2023, including:

- Relogging all drill core, which is now securely stored by the property vendor in Ciudad de Durango
- Re-assaying some key drill core intervals to cross-check the reported results from the 2008/2009 analytical work, which shows no record of a Quality Control program
- Hyperspectral imaging of key drill holes to assist in determining alteration
- Completion of a higher-density IP survey
- A core drilling program to 400 metre depth of penetration

Key Business Terms of the Option Agreement

A comprehensive Option Agreement regarding Southern Empire's acquisition of Centauro property mineral rights has been entered into with the owner, a Mexican geologist, and registered with the General Bureau of Mining of México. Pursuant to this agreement, Southern Empire can earn a 100% interest in the Centauro property claims, subject to a 3% Net Smelter Return interest ("NSR"), by making cash payments totalling US $750,000, issuing 1,500,000 common shares of Southern Empire, and completing work commitments of US $800,000 over a 5-year period. Southern Empire has the right to a 2% buyback of the NSR for US $2 million. The Option Agreement is subject to approval by the TSX Venture Exchange. Dale Wallster, CEO of Southern Empire commented, "We are fortunate to have the option agreement relatively back-weighted with cash payments totaling US$595,000 and the issuance of 900,000 shares not occurring until years four and five."

The surface rights covering the Centauro Gold Project area are privately held by local ranchers who have worked with the claim owner for more than 30 years. Southern Empire has initiated negotiations to secure surface access rights.

Qualified Person (QP)

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 within the context of Canadian Securities Administrators' National Instrument 43-101; Standards of Disclosure for Mineral Projects (NI 43-101). The historical analytical data contained in this news release was obtained from the files of the vendor and public disclosures of Silver Spruce Resources Inc. and Mundoro Capital Inc. and has not been verified by the Qualified Person.

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. At Pedro, in the spring of 2022, Southern Empire drilled gold mineralization approximately 800 metres from 2014 drilling by a subsidiary of Newmont Mining Corporation. Gold mineralization, associated with highly anomalous arsenic (orpiment and realgar common), antimony, mercury and thallium, has been identified hosted in permeable basal conglomerates deposited during Oligocene extensional deformation, the latter forming widespread Basin and Range physiography along the easter part of Sierra Madre Occidental. Gold is present in 12 of the 17 holes drilled at Pedro to date. Please see Southern Empire's news releases posted on SEDAR 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") 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 a 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 Au /t) at a cut-off grade of 0.68 g Au/t (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

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 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.

Cautionary Notice Regarding Exploration Work Programs

The timing and the ability to conduct Southern Empire's exploration programs are, among other things, contingent on: governmental regulations allowing for the issuance of permits; affects of the COVID-19 pandemic; and the availability of exploration personnel, drill contractors, equipment, lodging, etc. Southern Empire will adhere to COVID-19 directives regarding safe working practices putting worker and community health and 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.

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Contact
For further information on Southern Empire please visit: www.smp.gold and SEDAR or contact: Lubica Keighery, (778) 889-5476, lubica@smp.gold.