

# MONARCH ENERGY LIMITED



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**TSX-V Trading Symbol: MNL**

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**For Immediate Release**

## **MONARCH ACQUIRES QUEBEC GOLD PROJECT**

Monarch Energy is pleased to announce it has entered into an option agreement with Golden Valley Mines Ltd. (TSX/V: GZZ) of Val-d'Or, Quebec to earn up to a 70% interest in the Centremaque Prospect, situated in Bourlamaque Township, Quebec.

Terms of the acquisition include a work commitment of \$2,250,000 over three years (\$250,000 in year-1; \$500,000 in year-2 and \$1,500,000 in year-3). In addition, Monarch has to complete a Definitive Feasibility Study ("DFS") for the Property at its sole cost, within 10 years of signing, to earn a 70% interest, leaving Golden Valley Mines Ltd. with a free carried interest of 30%. Monarch must also issue to Golden Valley such number of shares in the capital of Monarch as is equal to 9.9% of its issued capital on the later of TSX-V approval or August 31, 2011, together with a \$35,000 cash payment and reimbursement of its legal expenses due within 6-months of signing. Golden Valley will be operator during the option phase.

The Centremaque Gold Property is comprised of six mining claims, located approximately 6-km southeast of the town of Val-d'Or, Québec along the highly prolific Cadillac-Larder Fault Zone of the Abitibi Greenstone Belt. At least twenty-seven (27) diamond drill core holes (5,865 m) are reported to be drilled on the property between 1940 and 1994 with the majority of the historical drilling taking place in 1947 and 1987-1988. The drill holes encountered numerous intersections assaying gold grades greater than 1.0 g/t Au and including an intersection grading 15.87 g/t Au over 0.31 m (Ministère de l'Énergie et des Ressources naturelles, Documentation technique GM 04715, GM 06851-A, GM 06851-B, GM 36084, GM 46225, GM 47483, GM 52639, GM 58144).

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-2-

The Property is strategically located within the prolific Val-d’Or gold mining camp, located approximately 6 km to the south (of the Sigma and Lamaque Mines where from 1937 to 2000, the Sigma Underground Mine continuously operated and produced 24.8 Mt grading 5.48 g/t Au totaling of 4.4 million oz Au. The adjacent Lamaque underground mine, which is part of the same vein system as Sigma, produced 24.2Mt grading 5.81 g/t Au totaling of 4.55 million oz Au was closed due to low gold prices – Century Mining Website, August 2011).

Recent geophysical surveying conducted by Golden Valley Mines over the claims (magnetic and Induced Polarization surveys) along lines spaced 50 meters apart, have outlined several anomalies warranting further drill testing based on an initial interpretation of the data.

The first years’ work program will include a compilation of pre-existing exploration data and completion of a 3-D model of the historical drill data and the drilling of approximately 1,400 meters of new drill core to confirm previous assays and evaluate the new geophysical targets.

Dr. Ulrich Kretschmar, PhD., PGeo (APGO No. 1160), is the qualified person and has approved the wording of the technical descriptions in this news release.

**ON BEHALF OF THE BOARD**  
**MONARCH ENERGY LIMITED**

*“Michael Turko”*

Michael Turko  
Director

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