

## **NEWS RELEASE- For Immediate Distribution**

**ROSITA MINING CORPORATION**  
(the "Company")

TSXV - RST

July 30, 2018

### ***News Release – The Company Announces Memorandum of Understanding.***

Edmonton, AB – July 30, 2018 - **Rosita Mining Corporation** (RST: TSX-V) ("Rosita" or the "Company") and its Nicaraguan subsidiary ALR Nicaragua SA ("ALR") is pleased to announce it has entered into a Memorandum of Understanding which could lead to a new Joint Venture Agreement ("JV") with CENTURY MINING SA a Nicaraguan mining company ("CENTURY"). This JV pertains to the Rosita D Concession and the Santa Rita Stockpile treatment Project ("Santa Rita").

CENTURY has agreed, subject to the JV, that after an initial US\$1.5 million investment, for a 13% interest in the Concession, they will invest a further US\$7 million to build the treatment plant for a total interest in the Concession of 75%. Currently, a JV between Rosita 67% and Calibre 33% exists and will remain on a diluted basis for the remaining 25% and all three parties will be involved in the revised JV with participating interests.

CENTURY is a company formed for mining interests in Nicaragua. It is associated with other companies with business interests in Nicaragua and other parts of Central America. This is coupled with extensive Chinese and US business interests. A CENTURY investor and technical team has visited the Santa Rita site.

The formal mine permit application document for Santa Rita, as announced in December 2017 (see News Release dated December 14th 2017) has been submitted to the regulators: - La Secretaria de Recursos Naturales y Ambiente ("SERENA"), as of July 24<sup>th</sup>, 2018.

The Company announced its positive Preliminary Economic Assessment ("PEA") on Santa Rita (see News Release dated March 9<sup>th</sup>, 2017). The PEA was preliminary in nature and it includes Indicated and Inferred resources in the Stockpiles and Tailings Resources as disclosed by the Company's February 8, 2016 NI 43-101 Technical Report (filed on SEDAR March 22nd 2016). The Inferred Resources are too speculative geologically to have economic considerations to be applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the PEA will be realized. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

The Resources estimated and the results of the testwork and engineering previously disclosed, allowed the following Project to be defined for the PEA:

- **Anticipated Life of Mine of 10 years, utilizing 4.67 million tonnes of the material included in the resource tabulation categorized as Indicated Mineral Resources grading at 0.51 grams per tonne gold, 8.2 grams per tonne silver and 0.59% copper and 1.53 million tonnes categorized as Inferred Mineral Resources grading at 0.61 grams per tonne gold, 11.3 grams per tonne silver and 0.65% copper.**
- **Anticipated capacity of the Treatment plant (milling plus heap leach) of 1,000 tonnes per day for the first 3 years, expanding to 2,000 tonnes per day for the subsequent 7 years.**

The metal prices assumed for the economic Model are: -

- **Gold: USD\$1250 per ounce**
- **Silver: USD\$18 per ounce**
- **Copper: USD\$2.50 per pound.**

Other criteria, assumptions and conclusions from the PEA may be summarised:

- **Pre-production capital costs including 30% contingencies, \$11.4 Million**
- **Total capital over life of mine including 30% contingencies, \$26.1 Million**
- **Operating costs over the life of mine per tonne of throughput, \$ 18.50 per tonne**
- **The Nicaraguan royalty rate of 3% NSR and 0.5% to an independent 3rd party applied to all saleable products.**
- **The Nicaraguan income tax rate of 30% after depreciation of fixed assets at 10%**
- **IRR after all government taxes 41%;**
- **NPV at 7%, after all government taxes \$33.9 million;**
- **Pay back of initial pre-production capital after all taxes 2.6 years**

If this transaction, which is subject to the JV Agreement, goes ahead and CENTURY makes the proposed investments, Rosita will be diluted to a minority interest. The Company believes that the proposed investment is positive for the Project as designed by Rosita.

As the investment continues and the potential dilution is clarified, Rosita will disclose the necessary steps to re-establish an alternative asset to meet its Continued Listing Requirements. (CLR) as outlined by the TSX-V.

### **Qualified Persons**

The contents of this news release related to the PEA were prepared by, or under the supervision of David Salari (P.Eng.) the president of D.E.N.M. Engineering Ltd. and a Qualified Person for purposes of NI 43-101, except for references to the mineral resources, which have been previously disclosed in the Company's technical report referred to below. Testwork has been done at SGS, Lakefield, who have reported accordingly. The conclusions from the testwork and their inclusion into the Treatment Plant preliminary engineering have been undertaken by D.E.N.M. Engineering Ltd.

John Cook, MIMMM, Qualified Person, as defined by NI-43-101, has also read and approved the contents of this press release.

Related disclosure documents:

- NI43-101 Technical Report titled **Mineral Resource Estimate For Rosita Stockpiles and Tailings Rosita Cu-Au-Ag Project, Región Autónoma de la Costa Caribe Norte, Nicaragua, dated effective February 8, 2016**
- News release dated March 21st, 2016 -- "Rosita Mining Advancing Copper and Gold Recovery Studies for its Stockpile Resources in Nicaragua"
- News release dated March 22nd, 2016 -- "Rosita Mining files National Instrument 43-101 Report"
- News release dated May 31st, 2016 -- "Rosita Mining provides Update on Stockpile and Tailings Project in Nicaragua"
- News release dated September 19th, 2016 -- "Rosita Mining Santa Rita Project Returns Positive Metallurgical Results"
- News release dated January 11th, 2017 -- "Rosita Mining Santa Rita Project -- Updated Metallurgical Results"

### **About Rosita Mining Corporation**

Rosita is a junior mining and exploration resource company focused on growing shareholder value through the development of the Santa Rita Stockpiles and tailings and advancing accretive exploration opportunities.

The Santa Rita Mine, which closed in 1978, is a copper-gold-silver supergene/skarn/porphyry project in Nicaragua located 275 kilometres northeast of Managua.. This Project is a joint venture between Rosita Mining 67% (TSXV – RST) and Calibre Mining Corp. 33%, (TSXV - CXB).

Signed "John Cook"

For more information please visit [www.sedar.com](http://www.sedar.com) or contact:

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**Cautionary Statements**

***Certain statements contained in this press release constitute forward-looking information. These statements relate to future events or future performance. The use of any of the words "could", "intend", "expect", "believe", "will", "projected", "estimated" and similar expressions and statements relating to matters that are not historical facts are intended to identify forward-looking information and are based on the Company's current belief or assumptions as to the outcome and timing of such future events. Actual future results may differ materially. In particular, this release contains forward-looking information relating to the re-instatement of trading and the identification, negotiation and completion of a transaction sufficient to meet listing requirements of the TSX Venture Exchange. Various assumptions or factors are typically applied in drawing conclusions or making the forecasts or projections set out in forward-looking information. Those assumptions and factors are based on information currently available to the Company. Risk factors that could cause actual results or outcomes to differ materially from the results expressed or implied by forward-looking information include, among other things: conditions imposed by the NEX and/or TSX Venture Exchange; changes in tax laws, general economic and business conditions; and changes in the regulatory regulation. The Company cautions the reader that the above list of risk factors is not exhaustive. The forward-looking information contained in this release is made as of the date hereof and the Company is not obligated to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable securities laws. Because of the risks, uncertainties and assumptions contained herein, investors should not place undue reliance on forward-looking information. The foregoing statements expressly qualify any forward-looking information contained herein.***