ZACAPA ACQUIRES THE KRAMER HILLS OXIDE GOLD PROJECT

May 1, 2023 – **Zacapa Resources Ltd. ("Zacapa") (TSXV: ZACA, OTCQB: ZACAF, DE: BH0)** is pleased to announce the acquisition of the Kramer Hills gold project centered on the past producing Shaharald oxide gold mine. The historic mine is located on patented claims and U.S. Bureau of Land Management ground in San Bernardino County, California, which is also home to Equinox Gold's Castle Mountain Mine. Historical resources include five near-surface open pit oxide gold deposits that were permitted for exploitation in the late-1980's and contained approximately 7,500,000 tons at reported grades of 1.65 g/t gold for 375,000 ounces of oxide gold, at a stripping ratio of 0.55:1 (Figure 1) [1,2].

HIGHLIGHTS

- **Kramer Hills includes patented claims at the historic Shaharald mine and 634 BLM claims in the surrounding area for a total project size of approximately 5,200 hectares.**
- **The historic Shaharald mine deposits permitted in 1986 included an historical resource of approximately 7,500,000 tons at reported grades of 1.65 g/t gold for 375,000 ounces of oxide gold in five pits[1,2,3,4].**
- **Historical drill results include KRH-38 which intersected 19.5 metres at 8.6 g/t gold from 9.14 metres depth[3].**
- **Gold occurrences at Kramer Hills extend over an area measuring 7.5 kilometres (northeast-southwest) by 8.5 kilometres (northwest-southeast) with a concentrated central area containing more than 54 historic shafts, 2.4 kilometres of tunnels, and numerous pits and trenches[1,5,6].**
- **Thin alluvial cover and shallow historical drilling (most holes to only 30 metres or less) suggest good potential that the Shaharald deposits can be expanded by drilling below established mineralized zones, along strike (east-west), and by identifying new mineralization within the district.**

"Kramer Hills contains historical resources with robust oxide gold grades and has excellent potential for expansion along strike and at depth. The greater than two kilometre strike length of historic mineralization under thin cover along with widely distributed gold occurrences in the Kramer Hills district suggests there is good potential to add additional oxide gold mineralization to the deposits and make new discoveries," comments Ian Slater, Executive Chairman. "Zacapa plans to conduct low-cost RC drilling to efficiently verify and expand the historical resource to convert it to a current resource consistent with modern standards. Kramer Hills is an outstanding addition to our growing portfolio of gold projects in the southwest United States including our flagship South Bullfrog project."

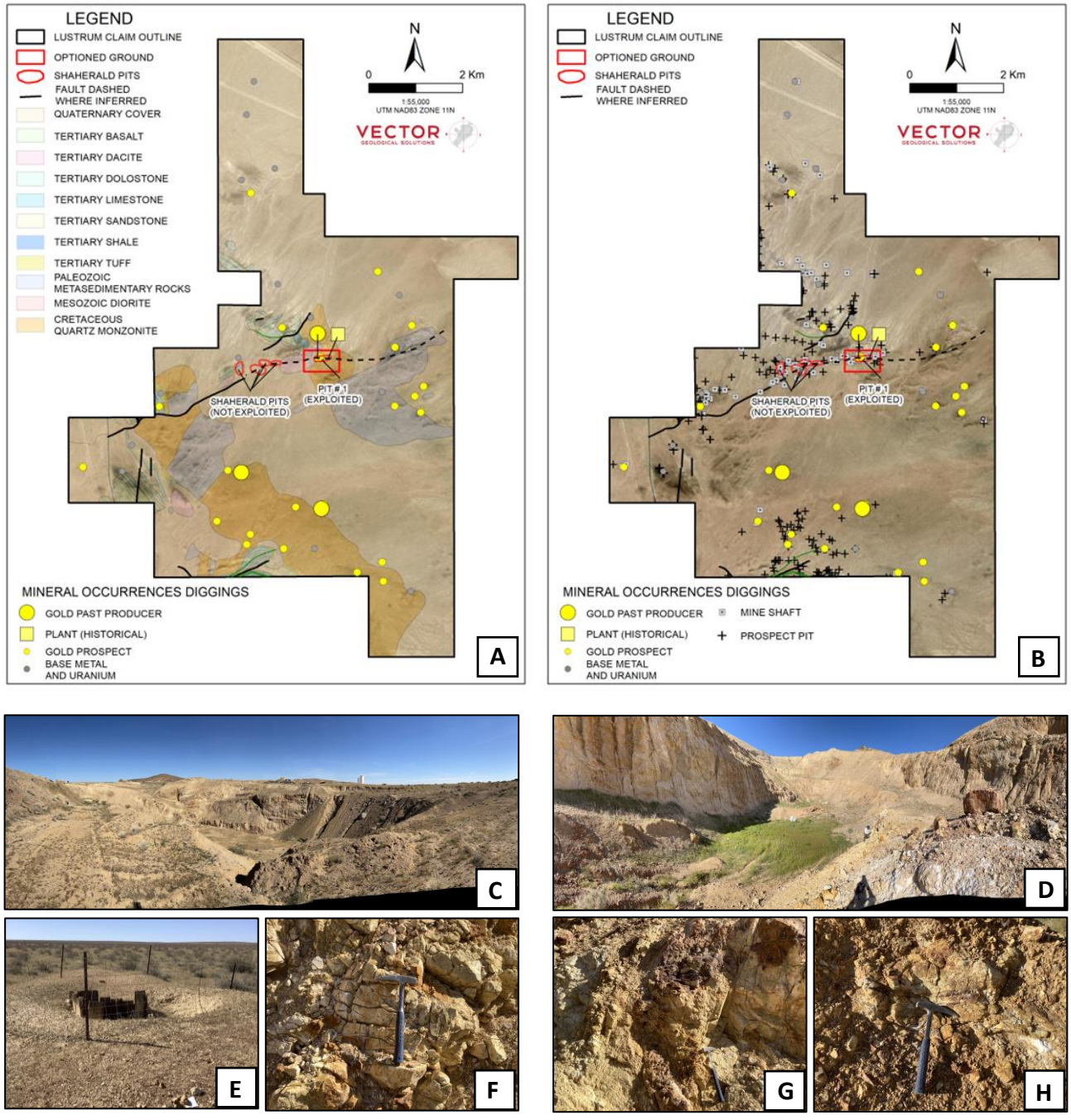

Figure 1 – Kramer Hills geology and gold occurrences (1A) and the distribution of mineral occurrences, mine shafts and prospect pits (1B); Shaharald historical open pit #1 (1C,1D); Shaharald historical shaft (1E); silica-clay-goethite-jarosite altered clastic metasedimentary rocks exposed in the Shaharald historical open pit #1 (1F, 1G, 1H).

Kramer Hills is easily road accessible and located on patented claims and U.S. Bureau of Land Management ("**BLM**") ground in mining friendly San Bernardino County, 21 kilometres southeast of Rio Tinto's Boron Mine. San Bernardino County also hosts Equinox Gold's Castle Mountain Mine and MP Materials' Mountain Pass Mine.

Exploration History

Exploration and mining at Kramer Hills dates to the early 1900s. During a gold rush in 1926 numerous pits and shafts were excavated exploiting gold hosted in strongly altered and fractured bedrock and in nearby placer deposits[1]. At least 54 shafts had been completed by 1932 and by 1934 a small open cut surface operation had been constructed to a depth of 7.6 metres and 5,000 tons of ore was milled[5,6]. The historic Shaharald mine shut down in 1942 with Order L-208 which prohibited precious metal mining during World War II. Several evaluations were made of the property in 1945-46 but no significant advancements are recorded until 1981 when Amselco Minerals started sampling and in 1983 obtained a permit for a pilot gold processing operation[1,5,6].

By 1986 Beaver Resources had acquired the property and conducted a drill program which delineated a series of mineralized zones comprising four new pits west of the historic pit. In total these five pits included approximately 7,500,000 tons of ore with a stripping ratio of 0.55:1 and a reported grade of 1.65 g/ton gold, totaling 375,000 ounces of oxide gold in a historical resource (Figure 1)[1,2,4]. In 1988 Beaver Resources commenced heap leach production but ran into problems due to swelling of clays associated with the ore. Operations ceased in 1990 and an estimated 200,000 tons of mined ore remains on the leach pads[7].

Economic Geology and Exploration Upside

Gold occurrences are noted in the Kramer Hills district over an area measuring 7.5 kilometers (northeast-southwest) by 8.5 kilometers (northwest-southeast), which includes at least 54 shafts, 72 trenches, and a historic open pit. Five mineralized zones have been defined by previous exploration within an east-west trending structural corridor of fractured and altered gold bearing rock that extends at least 2.7 kilometres[5,6]. Gold mineralization at Kramer Hills is spatially associated with this broadly east-west trending, moderately south dipping (50°) brittle fault zone that transects the property and aligns gold showings, pits, and other workings (Figure 1). This structural zone parallels the contact of a mapped inlier of metavolcanic rocks in a quartz monzonite pluton that intruded into Mesozoic basement rocks. This contact zone appears to have been the focus for mid-Tertiary intrusions and hydrothermal activity[1]. The fault zones measure 9-15 meters wide and are spatially associated with rhyolite-dacite dykes, bleached and layered volcanic rocks and late manganiferous jasperioid interpreted to be hydrothermal in origin[1]. The fault is intensely silica-clay +/- sericite altered to more than 60 metres wide with moderate to intense goethite-jarosite (after pyrite). Oxide gold mineralization at Kramer Hills is spatially associated with these iron oxides generated from weathering pyrite which has occurred to depths of 36 to 42 metres[1,2]. Zacapa interprets this alteration as indications of a high-sulfidation epithermal gold system associated with Tertiary volcanism in the region.

Most of the historical drill information has been lost however a total of 36 drill hole intercepts have been recovered from a drilling program conducted by Amselco in 1984 which provide some insight into the gold grade and gold continuity in the Shaharald mine pit (Table 1)[3].

DRILL HOLE	FROM (m)	TO (m)	LENGH (m)	GOLD (g/t)
KRH-15	**21.34**	**30.48**	**9.14**	**6.53**
KRH-16	*NSR*			
KRH-17	18.29	21.34	3.05	1.34
KRH-18	0.00	22.86	22.86	1.66
KRH-20	0.00	18.29	18.29	1.60
and	21.34	24.38	3.05	1.71
KRH-21	*NSR*			
KRH-22	3.05	12.19	9.14	1.20
KRH-23	3.05	9.14	6.10	1.01
KRH-24	**0.00**	**15.24**	**15.24**	**4.99**
incl	**0.00**	**9.14**	**9.14**	**6.63**
KRH-25	0.00	13.72	13.72	2.11
KRH-26	9.14	13.72	4.57	1.77
KRH-27	**15.24**	**18.29**	**3.05**	**11.69**
KRH-28	12.19	18.29	6.10	0.62
KRH-29	0.00	9.14	9.14	0.93
KRH-31	**3.05**	**18.29**	**15.24**	**3.89**
incl.	**3.05**	**12.19**	**9.14**	**5.54**
and	21.34	30.48	9.14	0.83
KRH-32	3.05	24.38	21.34	1.51
and	27.43	30.48	3.05	0.51
KRH-33	3.05	12.19	9.14	0.86
KRH-36?	3.05	12.19	9.14	0.88
KRH-35	*NSR*			

DRILL HOLE	FROM (m)	TO (m)	LENGH (m)	GOLD (g/t)
KRH-37	9.14	12.19	3.05	0.55
KRH-38	**9.14**	**28.65**	**19.51**	**8.60**
incl.	**15.24**	**27.43**	**12.19**	**13.17**
KRH-39	6.10	12.19	6.10	0.70
and	15.24	30.48	15.24	2.19
KRH-40	9.14	15.24	6.10	2.95
KRH-41	3.05	6.10	3.05	1.92
and	12.19	18.29	6.10	2.81
KRH-44	6.10	12.19	6.10	2.26
KRH-45	*NSR*			
KH-46	0.00	18.29	18.29	1.50
and	21.34	27.43	6.10	1.25
KRH-47	*NSR*			
KRH-48	0.00	3.05	3.05	0.58
KRH-49	**0.00**	**25.60**	**25.60**	**2.71**
incl.	**15.24**	**25.60**	**10.36**	**5.29**
KRH-50	0.00	9.14	9.14	2.41
KRH-51	9.14	12.19	3.05	0.79
KRH-52	*NSR*			
KRH-53	*NSR*			
KRH-54	*NSR*			
KRH-55	*NSR*			
KRH-56	*NSR*			

Table 1 - Historical drill intercepts from the Kramer Hills project[3]. Note that collar coordinates and drill hole orientations are not available for these results. These holes were assayed in 1984 by Arizona Testing Laboratories and are included in this news release to illustrate the intensity and down hole continuity of gold mineralization internal to mineralization in the past producing open pit. Zacapa considers these historical drill results relevant as Zacapa is using this data as a guide to plan exploration programs. Zacapa's current and future exploration work includes verification of the historical data through drilling. All intervals are drilled lengths and true thicknesses cannot be determined.

Acquisition Terms

Zacapa purchased Lustrum Gold Corp., a privately held British Columbia company ("**Lustrum**") for 33,600,000 common shares of Zacapa and a 2% NSR royalty. Lustrum holds the Kramer Hills property through a 100% owned US subsidiary.

About Zacapa Resources

Zacapa is a mineral exploration company engaged in gold and copper exploration in world class jurisdictions in the southwest United States, including Arizona, Nevada, Idaho, and California. The portfolio includes epithermal gold projects at South Bullfrog, Kramer Hills, Miller Mountain and Dewdrop, and porphyry copper exploration at the Pearl project. These assets are being advanced by a highly disciplined and seasoned professional team with successful track records of discovery, resource development and mine permitting.

References

[1]Ely II, M. F., 1987. Shaharald Mine – A Proposed Amendment to the Lahontan Board Order # 06-86-106 Beaver Resources Inc., San Bernardino County, California, January 30, 1987.

[2] Blair, J.M., 1989. Beaver Minerals Inc. Public News Release, March 15th, 1989. J.M., Blair, President of Beaver Resources Inc.

[3] Drill data disclosed in this news release is related to historical drilling results. Zacapa has not undertaken any independent investigation of the sampling, nor has it independently analyzed the results of the historical exploration work to verify the results. Zacapa considers these historical drill results relevant as Zacapa is using this data as a guide to plan future exploration programs and considers the data to be reliable for these purposes. Zacapa's current and future exploration work includes verification of the historical data through drilling. Zacapa does not consider the historic information or economic realization of these numbers as indicative of mineralization at Kramer Hills or the economics of any such mineralization. All intervals are drilled lengths and true thicknesses cannot be confidently determined. A nominal cut-off grade of 0.5 g/t Au has been applied to determine the boundaries of the intersections with no internal dilution.

[4] The mineral resource estimates contained in this news release are considered to be "historical estimates" under National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101"). A Qualified Person has not done sufficient work to classify the historical estimate as a current mineral resource, and Zacapa is not treating these historical estimates as current Mineral Resources. Zacapa would need to verify historic hole locations and conduct an exploration program, including twinning of historical drill holes in order to confirm the estimates and establish them as a current mineral resource.

[5] Irving, J., 1932, Mining Report on properties in the Kramer Hills District [Consulting Report, July 18, 1932], 12 p.

[6] Joslin, G.A., 1945, Preliminary Report of the Shaherald Mine [Consulting Report, November 23, 1945], 8 p.

[7]Musante, J., 2006, Shaharald Mine, Final Pollution Report: United States Environmental Protection Agency, 2 p.

All scientific and technical information in this news release has been prepared by, or approved by Daniel MacNeil, PGeo, and Technical Advisor of the Company. Mr. MacNeil is a "Qualified Person" for the purposes of National Instrument 43-101 - Standards of Disclosure for Mineral Projects.

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