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News Release
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Southern Empire Successfully Acquires 100% Ownership of the Pedro Gold Project, México Update from Fortuna Mining Corp. on Centauro Gold Project Drilling Early Warning Report

Southern Empire Resources Corp. (Southern Empire; TSX-V: SMP; Frankfurt: 5RE; OTC: SMPEF) is pleased to announce that it has successfully completed the acquisition, from Enduro Metals Corp. (Enduro), of a 100% interest in the mineral tenements forming the 1,750-hectare (4,324-acre) Pedro Gold Project located in Durango State, México.

Pedro Gold Project Highlights

- Road accessible and located in Durango State, about 80 kilometres (km) west of the city of Torreón
- Pedro's kilometer-scale surface gold mineralization and alteration in a favourable structural setting is characteristic of a large precious metals epithermal vein system
- Additional geochemical and mineralogical data also support a "Carlin-style" mineral system interpretation
- Gold mineralization in 12 of the 17 holes drilled to date, with 2022 core drilling highlighted by a 15.23 metre (m) interval grading 0.577 grams gold per tonne (g Au/t)
- Historical rock samples of up to 2.3 g Au/t; with 58 samples >0.25 g Au/t, 11 samples >1.0 g Au/t collected within a large (4 km x 1 km) gold-in-soil geochemical anomaly of >10 parts per billion gold (ppb Au)

"Now that we have acquired full ownership, the Pedro Gold Project presents a compelling exploration opportunity for Southern Empire and strengthens our position in one of México's most geologically prospective, yet underexplored regions. Factors such as large-scale, anomalous gold and indicator trace element geochemistry, including gold mineralization in 12 of the 17 holes drilled to date on the property, supportive property- and regional-scale structural geology, and other implications for Carlin-style mineralization, all position us for a meaningful discovery," said Dale Wallster, Southern Empire's CEO.

Closing of the Pedro Gold Project acquisition was pursuant to an amendment (see Southern Empire News Release of October 1, 2025) to the original Option Agreement (see Southern Empire News Release of July 27, 2021) and resulted in Southern Empire issuing to Enduro 2,000,000 common shares, which are subject to a four-month resale restriction, and agreeing to a future milestone payment of \$2,000,000 upon commencement of commercial production from the property. Enduro retains a 2% net smelter return (NSR) royalty interest from future Pedro production with no buydown provision.

Centauro Gold Project Update

Fortuna Mining Corp. (Fortuna) has informed Southern Empire that it has resumed its 3,500 m core drilling program at the Centauro Gold Project, located 100 km northwest of Pedro. Fortuna acquired the option rights for Centauro, a geological look-a-like to the Pedro Gold Project, from Southern Empire in 2025; see Southern Empire News Release of February 25, 2025. At Centauro, Fortuna geologists are drilling targets deeper than

historically attempted, based on their interpretation that the alteration and mineralization exposed at surface, and in historical drilling, are representative of the upper sections of a large epithermal system at depth.

About the Pedro Gold Project

The Pedro Gold Project is located 80 km (~50 miles) from Torreón, México, in the northeastern part of the state of Durango and approximately 30 km west of the town of Mapimí. At Pedro, a gold exploration target is outlined at surface by a gold-in-soil geochemical anomaly greater than 10 ppb having dimensions of 4 km by 1 km. Outcrop exposure comprises prominent hematite-stained, silica-rich ridges of angular chalcedony fragments and silicified sedimentary rocks within a coarse breccia. Historical sampling of these exposed zones has returned gold values (in rock) ranging from background levels to a maximum of 2.3 g Au/t with 58 samples greater than 0.25 g Au/t and 11 samples greater than 1 g Au/t. Induced Polarization ground geophysical surveys have defined zones of elevated chargeability and identified discrete deep target features. Southern Empire completed 856.3 m of core drilling at Pedro in 2022, returning a best interval of 15.23 m grading 0.577 g Au/t in hole P22-03, approximately 800 m from 2014 drilling by a subsidiary of Newmont Mining Corporation. Gold mineralization at Pedro is hosted in permeable basal conglomerates deposited during Oligocene extensional deformation that created widespread Basin and Range physiography along the eastern part of Sierra Madre Occidental. The regional structural setting, geology, alteration and geochemistry mapped at Pedro are indicative of a potential low-sulphidation epithermal vein system. These factors, together with a highly anomalous trace element association of arsenic (orpiment and realgar are common), antimony, mercury and thallium, also suggest a possible “Carlin-style” mineral system.

Quality Assurance/Quality Control (QA/QC) Data Verification Statement

All historical sampling and drilling were conducted under strict QA/QC protocols. Historical samples mentioned in this release were prepared and analyzed at various times by ALS Limited (ALS) at its laboratories in Chihuahua, México, and Vancouver, Canada. See news releases of Bearing Lithium Corp. dated September 16, 2012, and July 2, 2014 posted on SEDAR+ for historical drill results and Commander Resources Ltd. news releases dated February 19th, 2020, March 30th, 2021 and July 27, 2021 for QA/QC details. Drill samples collected by Southern Empire were prepared by an ALS lab facility in Chihuahua, Chihuahua State, México and then shipped by ALS to its North Vancouver, British Columbia facility for gold and multielement analysis (see Commander and Southern Empire News Releases dated April 27, 2022 for assay results and QA/QC details).

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).

Early Warning

Dale Wallster, Chief Executive Officer and director of the Company, also announces that he is now a 10% shareholder of Southern Empire. Mr. Wallster holds 8,046,000 common shares, directly and indirectly, and 520,000 stock options, representing 10.8% of the issued and outstanding shares on a non-diluted basis and, assuming the exercise of the 520,000 stock options, approximately 11.4% of the issued and outstanding shares on a partially diluted basis.

The securities of Southern Empire held by Mr. Wallster are held for investment purposes. Mr. Wallster has a long-term view of the investment and may acquire additional securities of the Company either on the open market, through private acquisitions or as compensation or sell the securities on the open market or through

private dispositions in the future depending on market conditions, general economic and industry conditions, the Company's business and financial condition, reformulation of plans and/or other relevant factors.

A copy of Mr. Wallster's early warning report will be available on the Company's profile on [SEDAR+](#).

About Southern Empire Resources Corp.

Southern Empire is focused on the acquisition, exploration and development of metals and minerals deposits, and continues to seek a pipeline of high-potential assets in North America.

On Southern Empire's Pedro Gold Project in northeastern Durango State, México, gold mineralization is present in 12 of the 17 holes drilled to date. Please see Southern Empire's news releases posted on [SEDAR+](#) or www.smp.gold for further details.

In the Cargo Muchacho mountains of Imperial County, California, Southern Empire owns 100 percent of both the historical gold-producing American Girl mine property and the Oro Cruz property located approximately 22.5 km (14 miles) southeast of the operating Mesquite gold mine of Equinox Gold Corp.

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. This cessation of operations left 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**

For further information on Southern Empire please visit: www.smp.gold and [SEDAR+](#) or contact: [Lubica Keighery, \(778\) 889-5476, \[lubica@smg.gold\]\(mailto:lubica@smg.gold\)](mailto:lubica@smg.gold).

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Cautionary Notice on Forward-Looking Information or Forward-Looking Statements

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 the Oro Cruz Project Historical Mineral Resource Estimate

The Oro Cruz Project historical mineral 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+](#)"). This estimate is termed an inferred mineral resource, which is a category set out in NI 43-101, and 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 presents 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 Proposed Exploration Work Programs

The timing and ability for Southern Empires to conduct planned or proposed exploration programs are, among other things, contingent on: governmental regulations allowing for the issuance of permits; the availability of exploration personnel, drill contractors, equipment, lodging, etc; and the availability of capital required for exploration programs. Southern Empire will adhere to directives regarding safe working practices by putting worker and community health and safety first and will proceed with exploration and development work programs only if potential risks can be effectively managed.