



MARIFIL MINES REPORTS NEW GOLD SYSTEM DISCOVERY AT THE SAN ROQUE GOLD PROJECT

Vancouver, British Columbia (November 5, 2018) – **Marifil Mines Ltd.** (TSX.V: MFM, OTCQB: MFMLF) ("Marifil" or the "Company") is pleased to announce that a new system of gold-bearing epithermal quartz veins (the "NW Vein System") has been discovered at the San Roque property in a zone that has yet to be drill tested. The San Roque property is located near the Atlantic coast in the Province of Rio Negro, Argentina and has excellent infrastructure in-place.

A total of 112 exploration holes totaling 16,683 meters have been drilled to date at San Roque which is an advanced-stage exploration property showing overall encouraging drill results. These drill results support the potential for a large disseminated precious-metals-rich, polymetallic deposit which could be amenable to low-cost bulk mining. With the vein system new findings, apart from the drilled areas, there is potential for one or more gold-bearing epithermal quartz vein system deposits which could be amenable to surface slot mining or possibly underground mining. It is the Company's opinion that these new vein findings may, upon further investigation, also offer possibilities for discovery of large, low grade bulk tonnage gold deposits.

San Roque's Project Manager and geologist, Mr. Pedro R. Vera, who has worked exploring for gold in Patagonia for 20 years, stated: "*In light of the epithermal gold bearing quartz veins we are now finding in undrilled areas of the property, I would not be surprised if San Roque becomes the anchor for a new gold mining district in the Patagonia region of southeast Argentina. The more we are looking, the more gold showings of various sorts we continue to find*".

San Roque is held by Minas San Roque S.A., which is jointly owned by Marifil's wholly owned subsidiary Marifil Mines S.A. (51%) and **NOVAGOLD RESOURCES INC.'S** (NYSE: NG, TSX: NG) wholly-owned subsidiary NovaGold Argentina Inc. (49%). Marifil is the project operator.

The discovery of the NW Vein System was initially announced in the Company's press release titled "*Marifil Recommences Drilling at Flagship Property in Argentina*", dated June 6, 2018 that can be referred to for additional information. However, now further exploration has enlarged and increased the importance of this zone.

The NW Vein System is located about 2 kilometers northwest of the Zone 33 drilling, as shown on Map A. The yellow strips on Map A are the interpretive tracks of the newly discovered vein zones based on all the surface samples of rock, regolith and soil, and are for illustrative purpose only. They exceed 2.5 kilometers length, and are possibly 3 kilometers long should they project further southward to drill hole MIM RC 11 (-60°), drilled in the year 2000 by Mount Isa Mines. Assay test results received from this hole recorded 2 meters of quartz veining carrying 4.26 g/t Au (true width unknown) starting at 16 meters down



hole. Map A shows all the sites of the recent trenching and also the locations of the four diamond drill holes completed this year. **Some assay highlights from trenching include:**

- a) **A channel sample in Trench 3 on the Clupe zone showing 1.7 meters of 9.06 g/t Au with 82 g/t Ag (Map B),**
- b) **An open-ended channel sample on the Encuentro zone in Trench 8 of 3 meters at 2.18 g/t Au (Map C), and**
- c) **A 0.2 meter channel sample in Trench 9 of 24.66 g/t Au with 78 g/t Ag within a 3.0 meter interval showing 2.43 g/t Au with 10 g/t Ag (Map D).**

Major features of the NW Vein System are two extensive zones of multiple veining: Clupe and Encuentro. These prospective northeast trending vein zones have been recognized by reconnaissance geologic mapping, a limited series of backhoe trenches, as well as rock and regolith sampling. (Regolith is a layer of loose, heterogeneous superficial deposits covering solid rock including dust, soil, broken rock, and other related materials.)

Definition of the NW Vein System is based on rock chip samples from structures exposed by trenching, sparsely exposed quartz vein outcrops, as well as some vein float (rocks lying loose on the ground) in areas lacking outcrops. A total of 180 rock samples have been analyzed, including 77 continuous rock chip channel samples for 217 meters in the seven trenches (T-3 thru T-9) on the NW Vein System.

Additionally, 155 samples of regolith were taken on a grid covering approximately one square kilometer of the NW Vein System using an auger to penetrate the soil cover up to depths up to a meter.

Table 1 below displays a summary of merged analytical results of the trench sampling.



Table 1
Exploration Trench Samples - Assay Summary

TRENCH I.D.	Trench Length meters	Au & Ag	Includes	Includes
		meters g/t Au g/t Ag	meters g/t Au g/t Ag	meters g/t Au g/t Ag
T-1	35.0		No significant results	
T-2	48.0		No significant results	
T-3	45.1	25.7 0.73 5.6	7.7 2.09 18.2	1.7 9.06 82.0
T-4	54.0	18.0 0.28 0.5	6.0 0.41 <0.5	
T-5	19.0	16.0 0.50 1.2	8.6 0.80 1.4	3.0 1.73 3.8
T-6	32.3	8.3 0.47 4.3	2.3 1.42 15.0	
T-7	36.8		No significant results	
T-8	21.0	21.0 1.17 3.7	12.0 1.46 6.2	6 2.27 10.7
			3.0 2.18 <0.5	trench ends 2.18 g/t Au
T-9	9.0	6.0 1.36 5.1	3.0 2.43 9.9	0.2 24.66 77.7

Note: Cut-off grade = 3 m @ 0.10 g/t Au

"This reconnaissance geologic mapping and sampling of the NW Vein System has turned up some new and exciting possibilities at San Roque," stated Richard (Dick) Walters, Professional Geologist and Vice President of Marifil. *"Perhaps even more exciting, Marifil found some areas of extensive rock silicification along the Enquentro vein zone containing numerous subparallel gold bearing quartz veinlets and veins where we intend to investigate the bulk tonnage gold deposit possibilities".*

Table 1 includes two trenches (T-1 & T-2) that are outside of the NW Vein System that were made in an effort to expand the known gold mineralization of Zone 34, being positioned about 400 meters apart in places of silica rich float with abundant manganese oxides. No significant gold mineralization was exposed by either trench. Paradoxically, drill hole MFDDH-59 (-60°) was later collared at the start point of T-2 and encountered 31.5 meters of 1.21 g/t Au from 2.0 to 33.5 meters down hole, the vertical depths of the intercept below the trench being from 1.7 meters to 29.2 meters. The NW Vein System contains gold and silver with only trace amounts of base metals. See the Company's press release titled *"Marifil Announces Final Drilling Results At Its Flagship San Roque Property"*, dated October 16, 2018 that can be referred to for additional information.

San Roque Geology

The NW Vein System has discontinuous and restricted outcrops showing multiple quartz veins and sheeted quartz veinlets with observed widths of up to 2 meters that are oftentimes located on the tops of some small mounds, knolls or hills. The Clupe vein zone is characterized by a dominant 30° trending, near vertical quartz vein of widths ranging 0.30 meter to 1.7 meter. Mineralized splay veins of 120° are noted. In the south sector of the Encuentro vein zone, rhyolitic crystal tuffs are crosscut by a multitude of generally vertical



sheeted veins and veinlets of outcropping widths between 0.4 meters to 0.8 meters that are seen to be up to 40 meters long along azimuths between 30° - 80°. The quartz veins of both the Clupe and Encuentro zones frequently exhibit halos of weak to strong silica alteration several meters outward into their wall rocks which is in turn encased within an envelope of argillic alteration. Definitively anomalous gold mineralization has been detected in these silica soaked rocks surrounding veins. The quartz veins of the NW Vein System invade a variety of rock formations, which generally from the southwest to the northeast consists of syenites, trachytes, rhyolitic crystal tuffs and sandstones.

The epithermal quartz vein textures vary from bladed carbonate replacements, dog tooth, cockscomb (hacksaw like), druse (coating of fine crystals on a rock fracture surface, vein or within a small cavity), and brecciated, while silica varies from coarse saccharoidal to crystalline quartz. Grey silica flooding is observed in some samples. Different sectors of the vein system show disseminated pyrite, sulfide boxworks, hematite, jarosite, goethite & minor copper oxides associated with the silica.

Quality Control – Quality Assurance

Marifil adheres to rigorous Quality Assurance – Quality Control (QA/QC) standards. The Company carried out a very careful and systematic Quality Assurance/Quality Control program on the San Roque property surface exploration sampling. All the rock chip and float samples, rock saw channel cut samples, and regolith samples were kept in a secured location, and commercially shipped in sealed tamper proof bags to Alex Stewart (International) Argentina S.A. (ASI) (ISO 9001 and 14001 certified) in Mendoza, Argentina for assaying. A safe chain of sample custody was maintained in delivery to ASI. ASI code P-5 was used for rock sample preparation procedure, and ASI code P-1 was used for pulp homogenization and bar code assignment. All samples were analyzed for gold under ASI code Au 4-30 (a 30 gram fire assay with Atomic Absorption finish). All samples were additionally analyzed for 39 elements including silver under ALS code ICP-AR-39. ASI has an arm's length relationship with the Company and its partners in the Minas San Roque S.A. partnership.

The following QA/QC protocols were adopted for the San Roque surface and trench exploration sampling: 1) Blank samples and Standards – Certified Reference Material (CRM's) together duplicate samples account for approximately 5% of samples submitted to the ASI, 2) QA/QC samples are spaced no more than twenty samples apart, 3) geologists instruct the ASI to run clean rock through equipment immediately following any samples containing visible native gold, and 4) ASI prepared coarse crush and fine pulverized duplicate samples and analyzes those duplicates, which for this program was 23% of the samples submitted.

The Qualified Person, Richard R. Walters, received certified assay reports directly from ASI, and is of the opinion that the results reported in this press release are reliable.

Qualified Person



The scientific and technical information disclosed within this document has been prepared by Richard R. Walters, Executive Vice President, Exploration and a director of Marifil Mines Ltd. The data presented herein was reviewed and verified as part of a Quality Assurance/Quality Control (QA/QC) program under the direction of Mr. Walters, who has approved its publishing. Mr. Walters visited the analytical laboratory (ASI) and reviewed the sample processing and analytical procedures with its management prior to commencement of the project. He also personally examined all of the trenching sites and many of the other surface sampling sites where gold was reported in the assays together with the project manager and field geologists who either took the samples or oversaw the sampling. There are no data verification failures. Mr. Walters is a Qualified Person as defined in NI 43-101 Standards of Disclosure for Mineral Projects, and is the person under whose directions the San Roque, Argentina exploration program has been and is being carried out. Mr. Walters is a certified Professional Geologist by the American Institute of Professional Geologists (AIPG).

ON BEHALF OF MARIFIL MINES LIMITED

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For further information regarding Marifil Mines Limited, please refer to the Company's filings available on SEDAR (<http://www.sedar.com>) or at Marifil's Website (<http://www.marifilmines.com>).

Forward-Looking Statements

Statements in this news release that are not historical facts are forward-looking statements. Forward-looking statements are statements that are not historical, and consist primarily of projections - statements regarding future plans, expectations and developments. Words such as "expects", "hopes", "intends", "plans", "may", "could", "potential", "should", "anticipates", "likely", "believes" and words of similar import tend to identify forward-looking statements. Forward-looking statements in this news release include the Company's belief that these positive results constitute an important discovery of a large disseminated precious metal rich polymetallic deposit which may be amenable to low-cost bulk mining; the Company's belief that there is potential for one or more gold-bearing epithermal quartz vein system deposits which could be amenable to surface slot mining or possibly underground mining; and the Company's belief that the new view findings offer possibilities of larger, low grade bulk tonnage gold deposits. All of these forward-looking statements are subject to a variety of known and unknown risks,



uncertainties and other factors that could cause actual events or results to differ from those expressed or implied, including, without limitation, the risks that the Company may not find any minerals in commercially feasible quantities; that the Company may not raise enough money to fund its exploration plans; uncertainty of development plans and cost estimates; commodity price fluctuations; political or economic instability and regulatory changes; currency fluctuations; the state of the capital markets; uncertainty in the measurement of mineral reserves and resource estimates; the Company's ability to attract and retain qualified personnel and management; potential labour unrest; uncertainty as to reclamation and closure requirements for its mineral properties; unpredictable risks and hazards related to the development and operation of a mine or mineral property that are beyond the Company's control; and other risks and uncertainties identified under the heading "Risk Factors" in the Company's continuous disclosure documents filed on SEDAR. You are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used. The Company cannot assure you that actual events, performance or results will be consistent with these forward-looking statements, and management's assumptions may prove to be incorrect. The Company's forward-looking statements reflect current expectations regarding future events and operating performance and speak only as of the date hereof and the Company does not assume any obligation to update forward-looking statements if circumstances or management's beliefs, expectations or opinions should change other than as required by applicable law. For the reasons set forth above, you should not place undue reliance on forward-looking statements.

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