



ZACAPA COMPLETES INTERNAL REORGANIZATION AND ANNOUNCES INTENTION TO ARRANGE COPPER ASSETS INTO A SEPARATE COMPANY

October 3, 2022 - Zacapa Resources Ltd. (“Zacapa”) (TSXV: ZACA, OTCQB: ZACAF, DE: BH0) announces that it has completed an internal reorganization splitting its gold and copper assets into separate wholly-owned Nevada subsidiaries (the “**Re-Organization**”). Zacapa Gold Corporation (“**Zacapa Gold**”) now holds South Bullfrog in the Beatty district of Nevada and Miller Mountain in Idaho. Zaya Resources Ltd. (“**Zaya**”) holds the Red Top and Pearl porphyry copper projects in Arizona. The Board of Directors of Zacapa (the “**Board**”) is considering a transaction, or series of transactions, to maximize Zacapa’s asset portfolio whereby Zacapa’s copper assets currently held in Zaya would ultimately be held in another publicly listed company and existing Zacapa shareholders would hold their interests in two companies relative to their shareholdings in Zacapa (the “**Potential Transaction**”). Zacapa Gold will focus on drilling Bullfrog and Miller Mountain, while Zaya or the resulting issuer of Zaya, pending the Potential Transaction, will capture additional long-term value of the copper assets for Zacapa shareholders as a separate publicly listed company.

Upcoming Financing

It is anticipated that the financing announced on September 29, 2022 (the “**Upcoming Financing**”) will be the final financing before the Board makes a decision and undertakes the Potential Transaction. As the Potential Transaction will be completed subsequent to the closing of the Upcoming Financing, subscribers in the Upcoming Financing will automatically acquire a direct interest in both entities relative to their shareholdings in Zacapa following completing of the Potential Transaction.

Anticipated Terms of the Potential Transaction

If the Board determines to proceed with the Potential Transaction, the Potential Transaction is likely to occur by way of a plan of arrangement under the *Business Corporations Act* (British Columbia) and will likely require the approval of the Zacapa shareholders. Details of such meeting will be provided upon announcement. It is also anticipated that the Potential Transaction will be subject to other customary approvals, including approval by the Supreme Court of British Columbia and the TSX Venture Exchange.

A final decision has not been made and there can be no assurance that this proposed Potential Transaction or any other similar transaction will be consummated. Zacapa will provide further updates at such time as the Board approves a specific transaction or otherwise concludes that disclosure is necessary or appropriate.

About Zacapa Resources

Zacapa is a copper focused mineral exploration company engaged in responsible exploration for the new energy economy. Its projects are concentrated in world class jurisdictions in the southwest U.S., including Arizona, Nevada, and Idaho. The portfolio includes porphyry copper projects at Red Top and Pearl and epithermal gold projects at South Bullfrog and Miller Mountain. These assets are being advanced by a highly disciplined and seasoned professional team with successful track records of discovery, resource development and mine permitting.

For more information, please visit www.zacaparesources.com. All documents are available on Zacapa's profile page on SEDAR at www.sedar.com.

On behalf of the Board of Directors,

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Forward Looking Statements – Certain information set forth in this news release may contain forward-looking statements that involve substantial known and unknown risks and uncertainties. All statements within, other than statements of historical fact, are to be considered forward looking. Forward statements include, but are not limited to, the successful completion of the Upcoming Financing, next steps and timing regarding the Potential Transaction, the ability to obtain shareholder and regulatory approvals required, and the successful completion of the Potential Transaction or similar transaction. Although Zacapa believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in forward-looking statements. Zacapa cautions that all forward-looking statements are inherently uncertain, and that actual performance may be affected by a number of material factors, many of which are beyond Zacapa's control. Forward looking information involves known and unknown risks and, uncertainties, and other factors that may cause the actual results, performance or achievements of Zacapa to be materially different from any future results, performance or achievements expressed or implied by the forward looking information.

Readers are advised to rely on their own evaluation of such uncertainties. Except as required under applicable securities legislation, Zacapa undertakes no obligation to publicly update or revise forward-looking information.