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PRESS RELEASE

For immediate issue

MONARQUES ANNOUNCES CLOSING OF \$940,000 FINANCING

Québec, December 21, 2012 – MONARQUES RESOURCES INC. (“Monarques” or the “Corporation”) (TSX-V: MQR) is pleased to announce that it has closed the second tranche of its brokered private placements for an aggregate gross proceeds of \$940,000 (the “Offering”), the first tranche of which was closed on December 14, 2012.

Pursuant to the Offering, the Corporation issued a total of (i) 688 flow-through units (the “FT Units”), offered at a price of \$1,000 per FT Unit, for gross proceeds of \$688,000, each FT Unit being comprised of 3,200 flow-through shares (the “FT Shares”), at a price of \$0.25 per FT Share, 1,000 common shares (the “Common Shares”), at a price of \$0.20 per Common Share, and 2,100 warrants (the “FT Unit Warrants”) and of (ii) 1,260,000 units (the “Units”), offered at a price of \$0.20 per Unit, for gross proceeds of \$252,000, each Unit being comprised of one Common Share, at a price of \$0.20 per Common Share, and one warrant (the “Unit Warrant”). Each FT Unit Warrant and Unit Warrant (the “Warrants”) entitle its holder thereof to purchase one Common Share, at a price of \$0.30 per Common Share, until December 14, 2015. The Corporation intends to list the Warrants, subject to the approval of the TSX Venture Exchange Inc.

The Offering was conducted by Industrial Alliance Securities Inc. acting as agent (the “Agent”). In consideration for its services, the Agent received a cash commission of \$70,500 and agent’s warrants (the “Agent’s Warrants”) to purchase, until December 21, 2015, a number of Common Shares equal to 5% of the total number of FT Shares and Common Shares issued pursuant to the Offering, namely 110,080 Common Shares at a price of \$0.25 per Common Share and 97,400 Common Shares at a price of \$0.20 per Common Share.

The net proceeds raised from the issuance of the FT Shares will be used by the Corporation to incur exploration expenditures on the Corporation’s properties while the net proceeds raised from the issuance of the Common Shares will serve for land acquisition and working capital purposes.

Pursuant to the Offering, 10,000 Units were issued to Mr. Michel Baril, Chairman of the Board of the Corporation. This transaction constitutes a “related party transaction” within the meaning of *Regulation 61-101 respecting Protection of Minority Security Holders in Special Transactions* (“Regulation 61-101”) and the TSX Venture Exchange Inc. Policy 5.9 - *Protection of Minority Security Holders in Special Transactions*. However, the directors of the Corporation have determined that the exemptions from formal valuation and minority approval requirements provided for respectively under subsections 5.5(a) and 5.7(1)(a) of Regulation 61-101 can be relied on as neither the fair market value of the Units issued to Mr. Baril nor the fair market value of the consideration paid for these Units exceed 25% of the Corporation’s market capitalization. None of the Corporation’s directors has expressed any contrary views or disagreements with respect to the foregoing.

A material change report in respect of this related party transaction will be filed by the Corporation but could not be filed earlier than 21 days prior to the closing of the Offering due to the fact that the terms of the participation of each of the non-related parties and the related party in the Offering were not confirmed.

All securities issued pursuant to the Offering, including the Agent's Warrants, are subject to a restricted period of four months and a day, ending on April 22, 2013 under applicable Canadian securities legislation. As a result, the Corporation has 50,567,900 Common Shares issued and outstanding.

ABOUT MONARQUES

Monarques is a mineral exploration company that is exploring for base metals, precious metals including the platinum group elements (PGE) and industrial minerals including rare earth elements (REE) in the Lower James Bay Region of Quebec.

A detailed map of properties is available on the Corporation web site at <http://www.monarquesresources.com/en/Our-Assets>

This announcement is not for publication or distribution, directly or indirectly, in or into the United States (including its territories and possessions, any state of the United States and the District of Columbia). This announcement is not an offer of securities for sale into the United States. The securities referred to herein have not been and will not be registered under the US Securities Act of 1933, as amended, and may not be offered or sold in the United States, except pursuant to an applicable exemptions. No public offering of securities is being made in the United States.

The statements herein that are not historical facts are forward-looking statements. These statements address future events and conditions and so involve inherent risks and uncertainties. Actual results could differ from those currently projected. The Corporation does not assume the obligation to update any forward-looking statement.

Neither TSX Venture Exchange Inc. nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange Inc.) accepts responsibility for the adequacy or accuracy of this release.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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