

PRESS RELEASE

MQR.V

Monarques has signed an agreement to Acquire Sole Control of X-Ore

Quebec City, Quebec, October 18, 2013 – MONARQUES RESOURCES INC. (“Monarques” or the “Company”) (TSX-V: MQR; FWB: MR7) is pleased to announce that it has signed an agreement to acquire sole control of X-Ore Resources Inc. (“X-Ore”), a wholly-owned subsidiary of Blue Note Mining Inc. (“Blue Note”). X-Ore owns: i) 50% of the Croinor property for which a positive preliminary economic assessment has been filed on www.sedar.com and for which X-Ore is the project operator under a joint venture agreement with Critical Element Corporation; and ii) 100% of the Croinor-Pershing property. The mining properties are located approximately 70 km east of Val-d’Or by road. They cover a total area of 55 km² and are comprised of 212 mining claims and one mining lease. The properties have accumulated over \$7.5M in work credits with the Ministry of Natural Resources.

On May 16, 2013, Blue Note announced that, as part of a notice of intention to make a proposal under the *Bankruptcy and Insolvency Act (Canada (the “Act”))*, PricewaterhouseCoopers Inc. (“PWC”) was appointed as trustee to attend Blue Note and X-Ore in their restructuring efforts. In this context, PWC has developed a request for proposals procedure.

The proposal submitted by Monarques to Blue Note consists in the subscription of 9,999 ordinary shares of X-Ore, which corresponds to 99.99% of all the X-Ore common shares issued and outstanding. This proposal has been accepted by Blue Note. The agreed subscription price for such shares consists in \$110,000 and 1,455,000 common shares (“Common Shares”) of the Company. The Common Shares will be escrowed for a period of six months following the date of closing of the transaction. The agreement is conditional upon the following conditions being satisfied: i) the termination of all the royalty agreements linked to the Croinor property; ii) the creditors’ approval of the proposal for arrangement which will be submitted to them by PWC as Trustee in accordance with the Act and which will effectively settle all debts owed by X-Ore; and iii) the approval of the competent regulatory authorities. Monarques expects to complete this transaction no later than February 28, 2014.

“After several months of negotiations, we finally managed to find some common ground that will please the Monarques shareholders,” said Jean-Marc Lacoste, President and Chief Executive Officer of Monarques. “This project will definitely be more attractive to investors once they take into account the termination of the royalties linked to the Croinor property. We believe that this asset, although much work remains to be done, will be instrumental in creating value for our shareholders.”

ABOUT MONARQUES

Monarques is a junior gold exploration company, dedicated to excellence and committed to a socially and environmentally responsible development plan for mining projects. The Company is currently dedicating its efforts to the acquisition and development of gold projects located along the Cadillac Break in the Val-d’Or area. Monarques owns properties that cover more than 110 km² in Val-d’Or, comprising a total of 400 claims, 2 mining leases and over \$1.45M in credits from the Ministry of Natural Resources (“MNR”). Furthermore, Monarques continues to develop other properties located in the Nemaska region on the James Bay territory in Quebec, which cover nearly 550 km² on 1,051 claims for a total of over \$7.2M in credits from the MNR. The Company also holds a 100% interest in the nickel deposit [Nisk-1](#), a project that complies with the National Instrument 43-101.

Forward looking statements

The forward-looking statements herein involve inherent known and unknown risks, uncertainties and other factors that may cause actual results, performance and achievements of Monarques to be materially different from any future results, performance or achievements expressed or suggested in this press release. Neither TSX Venture Exchange Inc. nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange Inc.) accepts responsibility for the adequacy or accuracy of this press release.

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