

Pampa Metals Provides Exploration Update for its Copper & Gold Projects in Chile

(CSE: PM) (FSE: FIRA) (OTCQX®: PMMCF)

For Immediate Release

Vancouver – November 2, 2021 – Pampa Metals Corp. (“Pampa Metals” or the “Company”) (CSE: PM / FSE: FIRA / OTCQX®: PMMCF) is pleased to provide an update and status report for its high-quality portfolio of copper and gold exploration projects located in northern Chile.

Pampa Metals has assembled a unique property portfolio for a junior company of eight (8) wholly owned projects, covering a series of greenfield copper and gold targets along the highly productive, world-class mineral belts of northern Chile. The company has a highly qualified board and management, with lengthy experience with major and junior mining companies, participation in significant discoveries, and multiple decades of experience in South America. Technical updates include a current in-house focus on 4 projects and third-party expenditures on a further 2 projects:

- **Drilling at Cerro Buenos Aires** continues vectoring towards a large and well-developed copper-gold porphyry-related alteration and mineralization system, covered by post-mineral gravels, where follow-up deeper diamond drilling is being planned.
- **Drilling at Redondo-Veronica** indicates deep porphyry potential with vectors derived from hydrothermal alteration and geochemical anomalies found in relevant drill holes, together with geophysical anomalies. Follow-up deeper diamond drilling is being contemplated.
- **Field work at Block 4** has revealed the coincidence of a discrete magnetic high with a dacite porphyry intrusion exhibiting an intense quartz-veinlet stockwork zone. Further field work, including trenching due to limited outcrops, is planned to help define drill targets.
- **Field work at Block 3** has revealed multiple magnetic features of potential interest in post-mineral covered areas, and geological mapping around the periphery of the covered areas has confirmed the prospective nature of the area. Further geophysical surveying is being planned to help define possible drill targets.
- **Third-party Expenditures:** Pampa Metals’ partner, Austral Gold Ltd (“Austral”), has commenced field work at the Company’s **Morros Blancos** project and has recently announced positive preliminary results for a gold target. A second optioned project, **Cerro Blanco**, is also being advanced by Austral.
- **Business Development:** The Company continues to actively pursue additional business development opportunities with third parties, to continuously upgrade the Company’s property portfolio and to create maximum value-add.

Julian Bavin, CEO of the Company, commented: “We are delighted with the progress of the Company’s exploration activities to date over a period of 11 months since inception. We believe the Company has delivered on an aggressive approach to exploring its greenfield property portfolio in some of the most geologically prospective mineral belts in the world. Pampa Metals now has clear line of sight towards at least two and possibly three deep porphyry copper targets from its relatively shallow drill testing of 4 target areas at its Cerro Buenos Aires and Redondo-Veronica projects. Extensive geophysical campaigns, including drone-flown and ground-based magnetic

surveys, 3D Vector IP, gradient array IP, and magnetotelluric surveys, have complemented detailed geological mapping in the field by a porphyry copper expert on 5 properties. The recent discovery of a potentially important zone of quartz veinlet stockworking at our Block 4 project is further encouraging news. Furthermore, having a proactive approach to business development activities has given rise to an agreement whereby 3rd-party funding is advancing two additional projects at Morros Blancos and Cerro Blanco, both of which have significant gold potential. We are looking forward to the next steps in our own and our partner's activities over the next 6 months, including further drill programs."

Pampa Metals – In-House Exploration Project Highlights

Since the Company start-up in December 2020, Pampa Metals has made rapid progress on its portfolio of exploration projects in Chile. In-house exploration activities have been carried out on 5 projects, including 2 reconnaissance drill programs, with a current focus on 4 projects with the following results highlights:

- **Cerro Buenos Aires (7,600 Ha):** The project is located in the Paleocene Mineral Belt of northern Chile south of the Spence and Sierra Gorda cluster of porphyry copper mines. Reverse circulation (RC) drilling in 9 holes totalling 2,738 metres at the Cerro Chiquitin target in the north of the property was completed in September (see news release dated September 15, 2021). Drilling was focused on combined geological and geophysical anomalies, and has allowed the Company's technical team to continue vectoring towards a large, post-mineral gravel covered, hydrothermal alteration and mineralisation system where follow-up deeper diamond drilling is being planned.
- **Redondo-Veronica (6,600 Ha):** The project is located in the Cordillera de Domeyko Copper Belt of northern Chile, to the north of the giant La Escondida copper mining district. Seven, wide spaced RC drill holes totalling 1,956 metres were completed and distributed between 3 target areas in August. Deep porphyry potential with vectors derived from hydrothermal alteration and geochemical anomalies found in relevant drill holes, together with deep geophysical anomalies, has been delineated at the Redondo Southwest and Cerro Redondo North targets (see news release dated September 28, 2021). Further, deep, follow-up diamond drilling is being contemplated.
- **Block 4 (6,800 Ha):** The project is located in the Cordillera de Domeyko Copper Belt of northern Chile, to the south of the giant La Escondida copper mining district. Recent geological mapping and the completion of a detailed ground magnetic survey have revealed the coincidence of a discrete magnetic high with a dacite porphyry exhibiting an intense quartz-veinlet stockwork zone, partially exposed at surface. Other magnetic features of interest occur under post-mineral cover materials (see news release date October 18, 2021). Follow-up trenching of accessible outcrop and sub-crop is planned, and further geophysical surveying (likely induced polarisation "IP" methodologies) is being considered.
- **Block 3 (10,100 Ha):** The project is located in the Cordillera de Domeyko Copper Belt of northern Chile, to the south of the giant La Escondida copper mining district. A drone-flown magnetics survey has revealed multiple magnetic features of potential interest for porphyry copper exploration, mostly obscured by post-mineral cover materials. Geological mapping around the periphery of the covered areas has confirmed the prospective nature of the area. Two porphyry copper targets in the immediate vicinity have been drill tested by third parties historically. Further geophysical surveying, most likely comprising IP methodologies, is being contemplated.
- **Arrieros (13,700 Ha):** The project is located in the Cordillera de Domeyko Copper Belt of northern Chile, to the south of the giant Chuquicamata copper mining district. A major 3D-Vector IP survey accompanied

by magnetotelluric measurements, together with a property-wide drone-flown magnetic survey, were completed earlier in 2021. Several magnetic features of potential interest for porphyry copper exploration were delineated, together with one principal IP chargeability anomaly, historically undrilled. The property is largely characterised by post-mineral cover materials, and geophysical evidence suggests the cover is thick. Significant, porphyry style hydrothermal alterations zones occur to the immediate west of the property and have been drill tested historically by third parties. Pampa Metals is currently evaluating the best next steps for the project.

Pampa Metals – Business Development & 3rd Party Exploration Funding

In addition to its in-house exploration activities and advances the Company signed an Option and Joint Venture Agreement (the “Agreement”) with Austral Gold Ltd. (“Austral”) in July, allowing Austral to earn up to an 80% interest in 2 of the Company’s projects, namely Morros Blancos and Cerro Blanco. To earn an 80% interest, Austral must complete a Preliminary Economic Assessment (“PEA”) on one or both projects (see news release dated July 28, 2021). Austral is focused on gold and silver exploration and has operating precious metals mines in the vicinity of the projects, although both projects may also have deeper porphyry copper potential. If, as a result of its exploration activities, Austral finds that more value is contained in copper rather than gold, Pampa Metals can earn back to 80% under the same terms and conditions as Austral’s earn-in. As part of the Agreement, Austral returned 2,963,132 of the Company’s shares to treasury which were subsequently cancelled, representing more than 6% of the issued and outstanding share capital of Pampa Metals.

Austral has already started its exploration program at Morros Blancos (see news release dated August 11, 2021). Key project characteristics are:

- **Morros Blancos (7,300 Ha):** The project is located along the Paleocene Mineral Belt of northern Chile, south of the important El Peñon gold-silver mining district, and adjacent to the Amancaya gold-silver mine. The project is prospective for high-sulphidation epithermal gold-silver (+/- copper) and possibly deep porphyry copper (+/- gold +/- molybdenum) deposits. Austral has recently announced (see Austral news release dated October 26, 2021) that three large hydrothermal alteration zones, representing separate high-sulphidation target areas, are recognised on the property. Delineation has begun at the Rosario del Alto target in the north of the property, which Austral has ranked as having the greatest potential. Initial geological mapping recognized four maar-diatreme complexes with favorable alteration at the right erosional level of preservation. Systematic rock geochemistry and CSAMT geophysical surveying has been initiated, and Austral plans to commence a drilling program in Q4 2021 if positive results are received.
- **Cerro Blanco (6,500 Ha):** The project is located along the Paleocene Mineral Belt of northern Chile, south of the important El Peñon gold-silver mining district. The project is prospective for high-sulphidation epithermal gold-silver (+/- copper) and possibly deep porphyry copper (+/- gold +/- molybdenum) deposits. The project is characterised by a relatively small outcropping hill displaying “lithocap” characteristics, spatially coincident with a significant magnetic high and surrounded by extensive post-mineral cover materials. Austral is planning to complete exploration programs in a staggered fashion to its ongoing work at Morros Blancos.

Pampa Metals notes that Austral indicated in a news release (October 26, 2021) that it is drill testing its Cerro Buenos Aires project. The Company wishes to clarify that Cerro Buenos Aires is a topographic feature in northern Chile that has given the name to Pampa Metals’ project of the same name, and which the Company

is actively exploring with the recent drill program at Cerro Chiquitin in the north of the property. Austral is drill testing a property that is contiguous with, and adjacent to, Pampa Metals' property of the same name, some 8.75 km south of the Company's Cerro Chiquitin target. Pampa Metals has also delineated possible drill targets on the Cerro Buenos Aires hill within its own property boundary, close to the drilling currently being carried out by Austral.

ABOUT PAMPA METALS

Pampa Metals is a Canadian company listed on the Canadian Stock Exchange (CSE: PM) as well as the Frankfurt (FSE: FIRA) and OTC (OTCQB®: PMMCF) exchanges. Pampa Metals owns a highly prospective 62,000-hectare portfolio of eight projects for copper and gold located along proven mineral belts in Chile, one of the world's top mining jurisdictions. The Company has a vision to create value for shareholders and all other stakeholders by making a major copper discovery along the prime mineral belts of Chile, using the best geological and technological methods. For more information, please visit Pampa Metals' website www.pampametals.com.

Qualified Person

Technical information in this news release has been approved by Mario Orrego G, Geologist and a Registered Member of the Chilean Mining Commission and a Qualified Person as defined by National Instrument 43-101. Mr. Orrego is a consultant to the Company.

Note: The reader is cautioned that Pampa Metals' projects are early-stage exploration projects and reference to existing mines and deposits, or mineralization hosted on adjacent or nearby properties, is not necessarily indicative of any mineralization on Pampa Metals' properties.

ON BEHALF OF THE BOARD

Julian Bavin | CEO & Director

www.pampametals.com

INVESTOR CONTACT

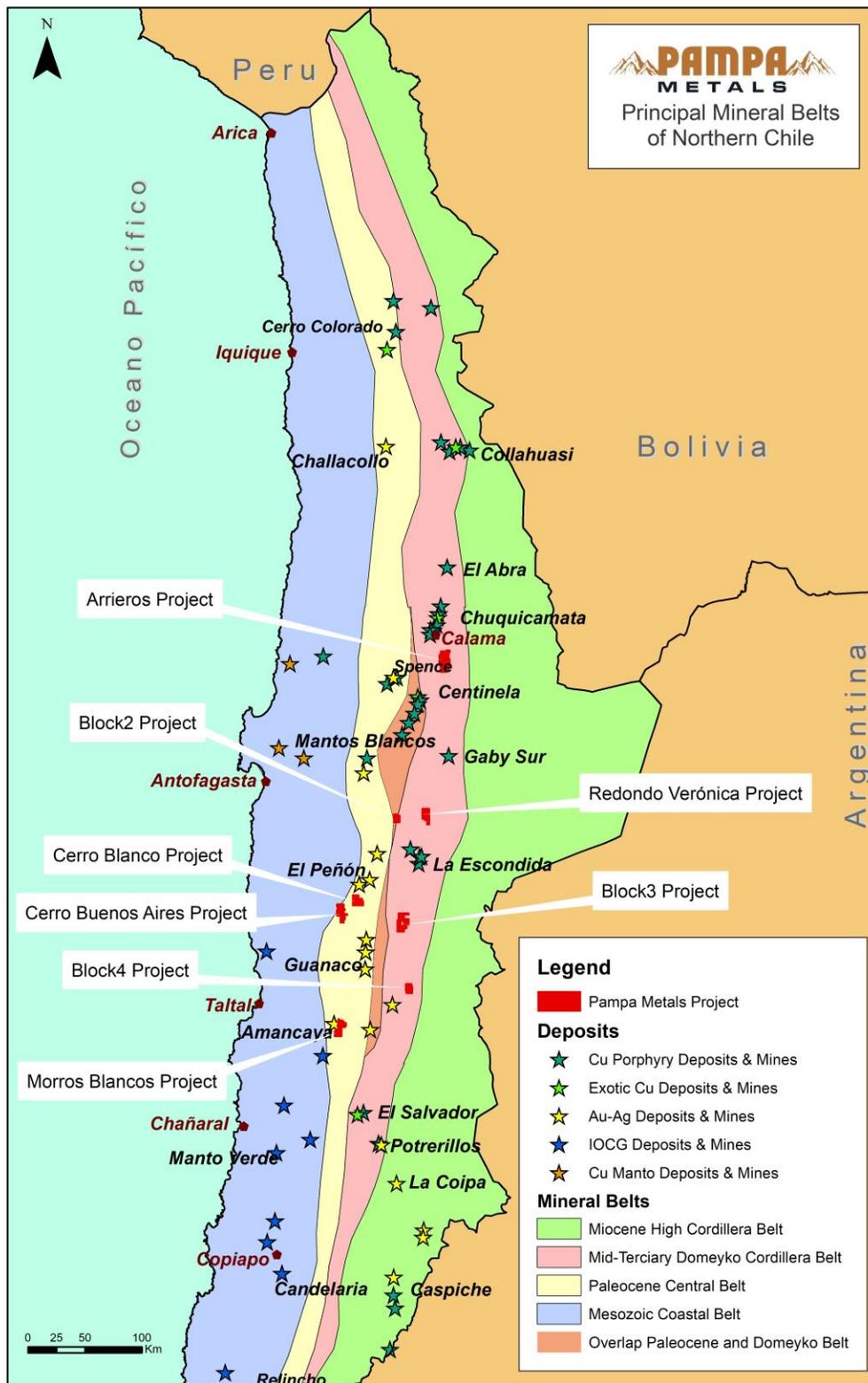
Ioannis (Yannis) Tsitos | Director

investors@pampametals.com

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This news release contains certain statements that may be deemed "forward-looking statements". All statements in this release, other than statements of historical fact, that address events or developments that Pampa Metals expects to occur, are forward-looking statements. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential", "indicate" and similar expressions, or that events or conditions "will", "would", "may", "could" or "should" occur. Although Pampa Metals believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guaranteeing of future performance and actual results may differ materially from those in forward-looking statements.



Pampa Metals – Project Locations & Major Mines of Northern Chile