

### Panoro Minerals Provides Corporate Update

Vancouver, B.C., October 17, 2016 – Panoro Minerals Ltd. (TSXV: PML, Lima: PML, Frankfurt: PZM) (“Panoro” or the “Company”) is pleased to provide an update on the Company’s activities and plans.

Panoro’s investment focus over the next 12 months will be aimed at growing the Cotabambas project and enhancing the project economics. The Cotabambas Project Preliminary Economic Assessment (PEA) technical report contained a number of recommendations to enhance and expand the project, including;

- Step-out drilling to expand the oxide copper resource and assessment of the potential to incorporate a heap leach SX/EW process into the project plan,
- Exploration drilling at the Maria Jose target to add near surface high grade mineralization to the mill feed, and
- Metallurgical testing to test for potential improvement in recoveries from all four mineralogical types in the current resource.

The closing of Panoro’s \$6.6M private placement, announced in a press release on August 29, 2016 together with the completion of the Cotabambas Project Precious Metals Purchase Agreement (PMPA), announced via press release on March 21, 2016, provide Panoro Minerals with between \$14.1 million and \$23.1 million of working capital for the period July 1, 2016 to September 1, 2018. A summary of Panoro’s working capital estimate is provided in the table below.

<b>Funding Component</b>	<b>Period</b>	<b>Committed (million CA\$)</b>	<b>Contingent (million CA\$)</b>	<b>Total (million CA\$)</b>
Cash Position	July 1, 2016	\$1.0	n/a	1.0
PMPA Early Deposit Payments	July 2016 to Dec 2018	3.9	n/a	3.9
PMPA Year 1 Accelerated Payment	October 2016	2.6	n/a	2.6
Private Placement	August 2016	6.6	n/a	6.6
Financing	Mar 2017 to Feb 2018	n/a	2.0	2.0
PMPA Year 2 Accelerated Payment	2017	n/a	2.0	2.0
Warrant Exercise	August 2018	n/a	5.0	5.0
<b>Total</b>		<b>14.1</b>	<b>9.0</b>	<b>23.1</b>

#### **Cochapata Target**

Panoro is planning 4,000 m of step-out drilling to the north side of the proposed North Pit into the Cochapata Target to test for additional copper oxide mineralization. The project includes approximately 31 million tonnes of oxide copper resource grading 0.53% Cu, 0.10 g/t Au and 1.60 g/t Ag. This resource is not included in the mill feed and is directed to the Wasterock facility in the PEA. The resource is open to the north of the proposed North pit and the proposed drilling will target expansion in this area. Growth in the oxide copper resource will allow the assessment of the addition of a heap leach and SX/EW circuit

to the project plan. This addition to the project plan could increase copper production, reduce cash costs and reduce the life of mine strip ratio.

### **Maria Jose Target**

Panoro is planning a geophysical program followed by 10,000 m of exploration drilling to test for high grade, near-surface mineralization at the Maria Jose Target. The Maria Jose target is situated along the same mineralized trend as the Ccalla and Azulccaca deposits, which are incorporated into the proposed North and South Pits, approximately 1 km to the northwest. Details of to the Maria Jose Target were announced via press release on June 23, 2014. Two main prospects, MJ-1 and MJ-2, have been mapped and sampled. Grades of individual chip samples at MJ-1 range from 0.11% Cu to 0.39% Cu, 0.01 to 0.05 Au g/t, and 0.3 to 3.1 g/t Ag. Grades of individual chip samples at MJ-2 range from 0.20% Cu to 0.44 %Cu, 0.01g/t Au to 0.07g/t Au and 0.2g/t Ag to 3.0 g/t Ag. Several trenches were excavated and all showed mineralization and alteration. The best two are situated more or less end to end and exhibit an average of 1.02 per cent copper, 0.21 g/t gold, 4.75 g/t silver and 4.24 parts per million molybdenum over approximately 58 metres.

### **Metallurgy**

Metallurgical testing is planned to test the potential to improve recoveries. Test work will be carried out on all four mineralization types included in the mill feed in the PEA which included recoveries as shown in the table below.

Mineralization Type	Recoveries Included in PEA		
	Cu %	Au %	Ag %
Hypogene Sulphide	87.5	62.0	60.4
Supergene Sulphide	87.5	62.0	60.4
Mixed Oxide Cu-Au	60.0	55.0	0
Oxide High Au	0	65.0	0

Previous results suggest that there is potential for improvement in the recoveries from the Hypogene and Supergene sulphide types. In addition, good potential exists to add or improve recovery of Ag and Cu from the Mixed and Oxide types while also improving Au recoveries.

### **Chaupec Target**

Panoro announced on July 25, 2016 via press release the delineation of the Chaupec Target, a new high-grade skarn/porphyry zone of mineralization located 3-4 km west of the currently proposed Cotabambas pits. The Company will be completing environmental baseline work here in order to expand the area covered by the Semi-Detailed Environmental Impact Assessment which will then allow for an expansion of the exploration permit. Additional detailed mapping will be carried out in order to finalize drill targets and drilling is planned to commence in 2017.

Panoro will be investing approximately CA\$ 6.0 million into these work programs over a period of 12 months with work commencing in Q3 of 2016.

### **Antilla Project**

In addition to work at the Cotabambas Project, Panoro will also be assessing the potential to re-scope the design of the Antilla Project to permit a staged development plan which should reduce initial capital costs. This work will assess the potential for early mining of a near surface, high grade zone of chalcocite mineralization..

Luquman Shaheen, President & CEO of Panoro states, “The PEA for the Cotabambas Project demonstrates the strong economics built around the current resource. However, Panoro’s focus remains on the significant exploration and growth potential of the project. The proposed drilling at the Cochapata Target could result in a meaningful improvement to the copper production with minimal additional initial capital while reducing cash costs. The proposed drilling at the Maria Jose target could add high grade near surface mineralization to the mill feed resulting in higher grades in the early part of the mine life and an increase to the overall mine life. Improvements to the metallurgical recoveries will increase production from the mine with no additional initial capital. The combined impacts on the Cotabambas Project’s economics can be significant. The Chaupec Target is expected to add further upside to the project’s scope and potential. There is much upside to be realized yet and our financing success during 2016 has well positioned Panoro to realize this potential.”

### **About Panoro**

Panoro Minerals is a uniquely positioned Peru and copper-focused exploration company. The company is advancing a significant project portfolio in the key Andahuaylas-Yauri belt in south central Peru, including its advanced stage Cotabambas Copper-Gold-Silver-Molybdenum and Antilla Copper-Molybdenum Projects.

Since 2007, the company has completed over 70,000 m of exploration drilling at these two key projects leading to substantial increases in the mineral resource base for each, as summarized in the table below.

### **Summary of Cotabambas and Antilla Project Resources**

Project	Resource Classification	Million tonnes	Cu (%)	Au (g/t)	Ag (g/t)	Mo (%)
Cotabambas Cu/Au/Ag	Indicated	117.1	0.42	0.23	2.74	0.001
	Inferred	605.3	0.31	0.17	2.33	0.002
	@ 0.20% CuEq cutoff, effective October 2013, Tetratech					
Antilla Cu/Mo	Indicated	291.8	0.34	-	-	0.01
	Inferred	90.5	0.26	-	-	0.007
	@ 0.175% CuEq cutoff, effective May 2016, Tetratech					

Preliminary Economic Assessments (PEA) have been completed for both the Cotabambas and Antilla Projects, the key results are summarized below.

### **Summary of Cotabambas and Antilla Project PEA Results**

Key Project Parameters			Cotabambas Cu/Au/Ag Project	Antilla Cu/Mo Project
Mill Feed, life of mine		million tonnes	483.1	350.4
Mill Feed, daily		tonnes	80,000	40,000
Strip Ratio, life of mine			1.25 : 1	0.85 : 1
Before Tax <sup>1</sup>	NPV <sub>7.5%</sub>	million USD	1,053	491
	IRR	%	20.4	22.2
	Payback	years	3.2	3.3
After Tax <sup>1</sup>	NPV <sub>7.5%</sub>	million USD	684	225
	IRR	%	16.7	15.1

Key Project Parameters			Cotabambas Cu/Au/Ag Project	Antilla Cu/Mo Project
	Payback	years	3.6	4.1
Annual Average Payable Metals	Cu	thousand tonnes	70.5	36.8
	Au	thousand ounces	95.1	-
	Ag	thousand ounces	1,018.4	-
	Mo	thousand tonnes	-	0.9
Initial Capital Cost		million USD	1,530	603
Project economics estimated at commodity prices of: Cu = US\$3.00/lb, Au = US\$1,250/oz, Ag = US\$18.50/oz, Mo = US\$12/lb				

The PEAs are considered preliminary in nature and include Inferred Mineral Resources that are considered too speculative to have the economic considerations applied that would enable classification as Mineral Reserves. There is no certainty that the conclusions within the updated PEA will be realized. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.

The Company is pleased to announce that it has retained the services of Renmark Financial Communications Inc. to handle its investor relations activities. In consideration of the services to be provided, the Company has agreed to pay a monthly retainer of \$5,000 starting October 1<sup>st</sup>, 2016 to Renmark Financial Communications Inc. Renmark Financial Communications does not have any interest, directly or indirectly, in Panoro Minerals Ltd. or its securities, or any right or intent to acquire such an interest.

Luis Vela, a Qualified Person under National Instrument 43-101, has reviewed and approved the scientific and technical information in this press release.

On behalf of the Board of **Panoro Minerals Ltd.**

Luquman A. Shaheen, M.B.A., P.Eng., P.E.  
President & CEO

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**CAUTION REGARDING FORWARD LOOKING STATEMENTS:** Information and statements contained in this news release that are not historical facts are “forward-looking information” within the meaning of applicable Canadian securities legislation and involve risks and uncertainties. Examples of forward-looking information and statements contained in this news release include information and statements with respect to:

- acceleration of payments under PMPA to match third party financing by Panoro targeted for exploration at the Cotabambas Project
- Panoro weathering the current depressed equity and commodity markets, minimizing dilution to existing shareholders and making targeted investments into exploration at the Cotabambas Project
- mineral resource estimates and assumptions
- the PEA, including, but not limited to, base case parameters and assumptions, forecasts of net present value, internal rate of return and payback;

- copper concentrate grade from the Cotabambas Project;

Various assumptions or factors are typically applied in drawing conclusions or making the forecasts or projections set out in forward-looking information. In some instances, material assumptions and factors are presented or discussed in this news release in connection with the statements or disclosure containing the forward-looking information and statements. You are cautioned that the following list of material factors and assumptions is not exhaustive. The factors and assumptions include, but are not limited to, assumptions concerning: metal prices and by-product credits; cut-off grades; short and long term power prices; processing recovery rates; mine plans and production scheduling; process and infrastructure design and implementation; accuracy of the estimation of operating and capital costs; applicable tax and royalty rates; open-pit design; accuracy of mineral reserve and resource estimates and reserve and resource modeling; reliability of sampling and assay data; representativeness of mineralization; accuracy of metallurgical test work; and amenability of upgrading and blending mineralization.

Forward-looking statements are subject to a variety of known and unknown risks, uncertainties and other factors which could cause actual events or results to differ materially from those expressed or implied by the forward-looking statements, including, without limitation:

- risks relating to metal price fluctuations;
- risks relating to estimates of mineral resources, production, capital and operating costs, decommissioning or reclamation expenses, proving to be inaccurate;
- the inherent operational risks associated with mining and mineral exploration, development, mine construction and operating activities, many of which are beyond Panoro's control;
- risks relating to Panoro's ability to enforce Panoro's legal rights under permits or licenses or risk that Panoro's will become subject to litigation or arbitration that has an adverse outcome;
- risks relating to Panoro's projects being in Peru, including political, economic and regulatory instability;
- risks relating to the uncertainty of applications to obtain, extend or renew licenses and permits;
- risks relating to potential challenges to Panoro's right to explore and/or develop its projects;
- risks relating to mineral resource estimates being based on interpretations and assumptions which may result in less mineral production under actual circumstances;
- risks relating to Panoro's operations being subject to environmental and remediation requirements, which may increase the cost of doing business and restrict Panoro's operations;
- risks relating to being adversely affected by environmental, safety and regulatory risks, including increased regulatory burdens or delays and changes of law;
- risks relating to inadequate insurance or inability to obtain insurance;
- risks relating to the fact that Panoro's properties are not yet in commercial production;
- risks relating to fluctuations in foreign currency exchange rates, interest rates and tax rates; and
- risks relating to Panoro's ability to raise funding to continue its exploration, development and mining activities.

This list is not exhaustive of the factors that may affect the forward-looking information and statements contained in this news release. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in the forward-looking information. The forward-looking information contained in this news release is based on beliefs, expectations and opinions as of the date of this news release. For the reasons set forth above, readers are cautioned not to place undue reliance on forward-looking information. Panoro does not undertake to update any forward-looking information and statements included herein, except in accordance with applicable securities laws.

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