

**Panoro Minerals Announces Receipt of Second Early Deposit Payment from Silver Wheaton for the Cotabambas Project, Peru**

Vancouver, B.C., May 31, 2016 – **Panoro Minerals Ltd.** (TSXV: PML, Lima: PML, Frankfurt: PZM) and its wholly-owned subsidiary, Panoro Trading (Cayman) Ltd. (“Panoro” or the “Company”) are pleased to announce that they have received the second US\$1 million Early Deposit payment as part of the Precious Metals Purchase Agreement (the “Cotabambas Early Deposit Agreement”) with Silver Wheaton (Caymans) Ltd., a wholly owned subsidiary of Silver Wheaton Corp. (“Silver Wheaton”) (TSX:SLW) (NYSE:SLW) in respect of the Cotabambas project located in Peru.

The principal terms of the Cotabambas Early Deposit Agreement are as described in the Company’s press release on March 21, 2016, whereby Silver Wheaton will pay Panoro upfront cash payments totalling US\$140 million for 25% of the payable gold production and 100% of the payable silver production from the Company’s Cotabambas Project in Peru. In addition, Silver Wheaton will make production payments to Panoro of the lesser of the market price and US\$450 per payable ounce of gold and US\$5.90 per payable ounce of silver delivered to Silver Wheaton over the life of the Cotabambas Project.

Panoro is entitled to receive US\$14 million spread over a period of up to 9 years as an early deposit with payments to be used to fund corporate expenses related to the Cotabambas Project. The Cotabambas Early Deposit Agreement includes provisions to accelerate these payments through Silver Wheaton’s matching, up to certain limits, any third party financing by Panoro targeted for exploration at the Cotabambas Project. The acceleration could result in total early deposit payments of up to US\$7 million being made to Panoro in the first two years of the agreement. The balance of the US\$140 million, should Silver Wheaton elect to proceed with the Cotabambas Early Deposit Agreement, is payable in instalments during construction of the Cotabambas Project.

**About Panoro**

Panoro Minerals is a uniquely positioned copper exploration company focused on Peru. Panoro is advancing its significant portfolio of copper and gold projects 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 resource base for each. The mineral resources for each project are 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% Cu <sub>eq</sub> cutoff, effective October 2013, Tetratech					
Antilla Cu/Mo	Indicated	291.8	0.34	-	-	0.01
	Inferred	90.5	0.26	-	-	0.007
	@ 0.175% Cu <sub>eq</sub> cutoff, effective May 2016, Tetratech					

Panoro Minerals has completed Preliminary Economic Assessments (PEA for both projects, the key results for which 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 grade, life of mine	% Cu	0.32	0.31
	g/t Au	0.18	-
	g/t Ag	2.37	-
	% Mo	-	0.009
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
	IRR	%	20.4
	Payback	years	3.2
After Tax <sup>1</sup>	NPV <sub>7.5%</sub>	Million USD	684
	IRR	%	16.7
	Payback	years	3.6
Annual Average Payable Metals	Cu	thousand tonnes	70.5
	Au	Thousand ounces	95.1
	Ag	Thousand Ounces	1,018.4
	Mo	thousand tonnes	-
Initial Capital Cost	Million USD	1,530	603
Project economics estimated at commodity prices of: Cu = \$US3.00/lb, Au = \$US1,250/oz, Ag = \$US18.50/oz, Mo = \$US12/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.

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 by Silver Wheaton to match third party financing by Panoro targeted for exploration at the Cotabambas Project
- payment by Silver Wheaton of US\$140 million in installments
- 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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