



Panoro Minerals Update on Exploration Plans at Cotabambas Project, Peru

VANCOUVER, B.C., July 13, 2020 – **Panoro Minerals Ltd.** (TSXV: PML, Lima: PML, Frankfurt: PZM) (“Panoro”, the “Company”), is pleased to provide an update on the Company’s exploration plans for the Cotabambas Cu/Au/Ag Project located in southern Peru. The Cotabambas Project is Panoro’s flagship project where more than 84,000 meters of exploration drilling, a NI-43-101 Resource Estimate and Preliminary Economic Assessment (PEA) have been completed.

In 2018 and 2019, the Company completed geologic mapping and sampling, geophysical surveys and exploration drilling at a number of satellite targets in the vicinity of the two proposed open pits. Two principal objectives are the focus of exploration work at the Cotabambas Project:

1. Addition of high grade, near-surface sulphide resources to increase the mining grade in the early part of the mine life; and the
2. Addition of near surface oxides to add a heap leach SX/EW component to the project.

The addition of high-grade sulphide mineralization and oxide mineralization to the project resource has the potential to further enhance the projects economics.

Luguman Shaheen, President & CEO, states “The proposed exploration program at the Cotabambas Project is very focused on enhancing the project economics. An increase to the tonnage of high-grade sulphide resource and oxide resource has the potential to double the net present value of the project with little increase to the capital cost. Recent increases in copper and gold prices have already shown the important upside to the project’s net present value and internal rate of return together with a decrease in the payback period, cash cost and breakeven copper price. The Cotabambas Project resource includes 4.2 million ounces of Gold between Indicated and Inferred categories, significantly strengthening the project economics. We expect that continued delineation of the mineralized areas will demonstrate further upside.”

The satellite targets identified for priority exploration include:

Maria Jose Targets & Petra-David Target, Cluster 1

Exploration in 2018 identified zones of primary copper mineralization hosted in andesite volcanics and porphyry in the areas of Maria Jose 1 and Maria Jose 2. In addition, oxide copper mineralization was intersected at both the Maria Jose 2 and Petra-David target zones. The completed exploration programs included geologic mapping and sampling, geophysical surveys and 29 drill holes for a total of 7,333 m of exploration drilling. The results were announced in press releases in 2018 and 2019. These three zones are located within 1 km of the proposed North Pit.

Chaupec Target, Cluster 2

Exploration in 2018 and 2019 identified zones of porphyry and skarn mineralization at the Chaupec target zone in Cluster 2 located 4 kilometers to the west of the proposed North Pit. Geologic mapping and sampling together with geophysical surveys identified high grade targets at the northern end of the Chaupec Target called Zone 1. Five exploration drill holes for a total 997 m were completed along 1.3 kilometers of strike at Zone 1, intersecting both porphyry and skarn mineralized bodies with high copper and silver grades. The results from the exploration programs were announced in press releases in 2018 and 2019.

Guacile Target, Cluster 1

Geologic mapping and sampling work in 2019 also identified resource potential in the area of Guacile, located 1.5 km west and between the proposed North Pit and the Chaupec Target. The geology includes a big package of limestone, hosting up to five stratabound bodies dipping to the east, below the Petra-David

and the North Pit areas. The mineral bodies include massive chalcopyrite, bornite, pyrite and magnetite with alteration typical of skarn mineralization.

Exploration Plan

The Company is planning additional exploration work at the Chaupec Target in Cluster 1 and the Guaclle Target in Cluster 2. The objective of the exploration programs is to identify near-surface, high-grade mineralization to provide additional early life feed to the proposed 80,000-tonne per day concentrator included in the PEA report.

The proposed exploration program at Chaupec includes:

- Geophysics 3D
- 2,000m drilling in 8 drillholes

The proposed exploration program at Guaclle includes:

- Geophysics 2D & 3D
- 2,000m drilling in 7 drillholes

The proposed geo-metallurgy study for the Copper Oxides-Mix zone at the North Pit, in preparation of the Pre-feasibility study includes:

- Data review, core logging, laboratory assaying; and a
- Preliminary geo-metallurgy model

Financing

The estimated cost for the proposed exploration programs at Chaupec, Guaclle and geo-metallurgy for the North pit is US\$ 2.35 Million. The proposed exploration programs will be funded with proceeds from earlier completed funding engagements, such as:

1. Semi-annual payments pursuant to the Precious Metals Purchase Agreement with Wheaton Precious Metals;
2. Milestone payments from Hudbay Minerals pursuant to the sale of the Kusiorcco Project; and
3. Periodic payments pursuant to the sale of the Cochasayhuas Project to Mintania.

Exploration permits for the proposed programs have already been completed. Surface rights access agreements will be required with both local communities and private land owners to initiate site activities. The Company has had extensive success in completing such agreements over the almost nine years of progress of exploration at the Cotabambas Project.

About Panoro

Panoro is a uniquely positioned Peru focused copper exploration and development company. The Company is advancing its flagship project, Cotabambas Copper-Gold-Silver Project and its Antilla Copper-Molybdenum Projects located in the strategically important area of southern Peru.

Panoro has completed strategic partnerships at four of its projects:

1. Precious Metals Purchase Agreement with Wheaton Precious Metals at the Cotabambas Project;
2. Joint Venture with JOGMEC at the Humamantata Project;
3. Sale to Hudbay Minerals of the Kusiorcco Project for cash and NSR royalty; and
4. Sale to Mintania of the Cochasayhuas Project for cash and NSR royalty.

These partnerships would provide, if all received, US\$ 15.5 million of funding to Panoro from 2020 to 2024, not including the potential NSR royalties from the Kusiorcco and Cochasayhuas Projects.

At the Cotabambas Project, the Company is focused on delineating the growth potential while optimizing the project economics. Exploration and step-out drilling from 2017, 2018 and 2019 has identified the potential

for both oxide and sulphide resource growth.

Summary of Cotabambas and Antilla Project Resources

Project	Resource Classification	Million Tonnes	Cu (%)	Au (g/t)	Ag (g/t)	Mo (%)	CuEq %
Cotabambas Cu/Au/Ag	Indicated	117.1	0.42	0.23	2.74	0.001	0.59
	Inferred	605.3	0.31	0.17	2.33	0.002	0.44
	@ 0.20% CuEq cutoff, effective October 2013, Tetrattech						
Antilla Cu/Mo	Indicated	291.8	0.34	-	-	0.01	0.38
	Inferred	90.5	0.26	-	-	0.007	0.29
	@ 0.175% CuEq cutoff, effective May 2016, Tetrattech						

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 ¹	Antilla Cu Project ²
Process Feed, life of mine	million tonnes		483.1	118.7
Process Feed, daily	Tonnes		80,000	20,000
Strip Ratio, life of mine			1.25 : 1	1.38 : 1
Before Tax ¹	NPV _{7.5%}	million USD	1,053	520
	IRR	%	20.4	34.7
	Payback	years	3.2	2.6
After Tax ¹	NPV _{7.5%}	million USD	684	305
	IRR	%	16.7	25.9
	Payback	years	3.6	3.0
Annual Average Payable Metals	Cu	thousand tonnes	70.5	21.0
	Au	thousand ounces	95.1	-
	Ag	thousand ounces	1,018.4	-
	Mo	thousand tonnes	-	-
Initial Capital Cost	million USD		1,530	250
1. 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 2. Project economics estimated at long term commodity price of Cu = US\$3.05/lb and Short term commodity price of Cu = US\$3.20, US\$3.15 and US\$3.10 for Years 1, 2 and 3 of operations, respectively.				

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 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 Wheaton Metals to match third party financing by Panoro targeted for exploration at the Cotabambas Project;
- payment by Wheaton Metals 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; and
- 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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