

Panoro Minerals Provides Update on Humamantata Project, Peru

VANCOUVER, B.C., June 2, 2021 – **Panoro Minerals Ltd.** (TSXV: PML, Lima: PML, Frankfurt: PZM, OTCQB: POROF) (“Panoro or the “Company”) would like to provide an update on exploration activities at the Humamantata project. The Humamantata Project is being advanced under the terms of a Joint Venture agreement the Japan Oil, Gas and Metals National Corporation (JOGMEC)

The Company has completed an extensive exploration program including geologic mapping, geochemical sampling and analysis and ground a geophysics program in preparation for a phased exploration drilling program to follow. The work to date has identified four targets:

- Target 1, Cu/Au/Ag porphyry mineralization located to the north of the property;
- Target 2, Ag Hydrothermal Breccia Mineralization located to the south of Target 1;
- Target 3, Ag Hydrothermal Breccia and Ag-Cu Stockwork Mineralization in the south property; and
- Target 4. Ag Hydrothermal Breccia and Cu-Au Skarn Mineralization located to the north of Target 2.

Luguman Shaheen, President and CEO, states, “We are pleased that the ongoing work at the Humamantata Project continues to identify strong targets for the proposed exploration program funded by our partner, JOGMEC. The close proximity of other significant copper mines such as Constanca and Las Bambas is a good indicator of the potential for this project. Through the very difficult period of Covid-19 related restrictions, our team has progressed on both the geologic and permitting fronts. We are hopeful that the proposed drilling program will continue to validate the growing potential estimated for the Humamantata Project.”

Targets 1, 2 and 4 have been the focus of exploration and analyses over the last 3 months to define the proposed exploration drilling program. Exploration work at Target 4 has identified important exploration potential in a Cu-Au Skarn type mineralization, in addition to the previously identified Targets 1 and 2. The Company has completed including 3G works (mapping, geochemistry, geophysics), data analysis/interpretation and a preliminary drilling program in Targets 1, 2 & 4.

To date the Company has completed the following field activities:

- Geologic mapping at 1:1,000 scale over an area covering 1,200 hectares of the total 3,600 hectares of concessions comprising the Humamantata Project;
- 647 samples from surface outcrops have been collected over the target areas for geochemical analysis;
- 68 fresh and mineralized rock samples for Mineragraphy and Petrography studies;
- 130 fresh and mineralized rock samples for a Litho geochemistry study;
- 496 rock samples by PIMA Spectrometry for a mineral alterations study;
- 53.2 km of ground Induced Polarization geophysical surveys; and
- 80 km of ground Magnetic Resonance surveys.

The attached map shows the results of the geologic mapping and geochemical analyses identifying the Targets 1, 2 and 4, [see Insert 1.](#)

At Targets 2 and 4 the bottom of the creek indicates the main overthrust faulting in an almost north-south direction, pushing from west to east. The Hualhuani sandstone and Ferrobamba limestones are overthrust above the Velille sandstones. At the front of this faulting occur the hydrothermal breccias #7, #8, #9 and two dikes of porphyry andesite composition with potassic alteration confirmed by the petrographic studies. The main concentration of silver values located in these breccias are accompanied with traces of pyrrhotite,

chalcopyrite and native gold, defined by the mineralogical studies, and surrounded by evidence of Chlorite-Fe, Alunite-K and illite-Fe as indicated with the Spectrometry study with PIMA in the Target 1. The Skarn type mineralization occurs aligned along this structural control. Complementing the structural model, the hydrothermal breccias #4, #5, #6, #7 follow a secondary overthrust faulting pushing from north to south direction, and the breccia #18 a gravitation fault dipping the blocks to the east.

The interpretation of the exploration work to date is illustrated in the attached section of the property from north to south. [Insert 2](#) illustrates high magnetic anomalies located to both sides of the Velille sandstone in contact with the igneous intrusives as well the highest electric conductivities developed in the upper levels of the sandstones package, below the outcroppings of the BX 7, 9 and the quartz stock to the north. The porphyry stock environment is interpreted at depth, next to the contacts with the igneous rocks and below the hydrothermal breccias.

The 3-D geophysical interpretation is identifying a potential connection between the Hydrothermal Breccias #5, #6, #7, #8, #9 and #18 of the Target 2, all of which are dipping towards Target 4 where a Cu-Au skarn mineralization outcrops at surface. In this area the sandstones hosting the breccias with high silver contents show a wide dissemination of phyllic alteration with pyrite-quartz veinlets-sericite, as one of the main features explaining the high chargeability anomaly occurring below both targets. The Skarn evidence occurs over local expositions with andradite garnet, chalcopyrite and bornite mineralization showing grades from 0.49 to 1.9 %Cu and 0.13 to 0.31 Au g/t (see previous press release of November 30, 2020), surrounded by a corridor containing values above 100ppm Cu hosted in sandstones. This copper anomaly is matching with a generation of quartz veinlets including hematite and jarosite overprinting the phyllic alteration and overall striking in North-West direction.

The geology/geochemistry/geophysics interpretation in 3D also indicates notable low magnetics in the North-South direction connecting Targets 2 and 4, where high chargeability anomalies, hydrothermal breccias and skarn evidence are incorporated in a single structural control, see [Insert 3](#).

The drilling program in Target 1 has been defined, while at Targets 2 and 4 additional exploration and interpretation work is being completed to finalize drilling plans.

The permitting completed to date at the project includes:

- Environmental Technical File (FTA) Approval;
- Water Permit Approval;
- Archaeology Permit Approval; and
- Surface Access Approval (Partial).

The Company anticipates the completion of the final surface access agreements and the approval of the Start of Operations Permit in time to commence mobilization of drilling equipment in June.

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 Cochasyhuas 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
<ol style="list-style-type: none"> 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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