

Pampa Metals Provides Exploration Update and Vision for 2021

(CSE: PM) (FSE: FIRA)

For Immediate Release

Vancouver – January 12, 2021 – Pampa Metals Corp. (“Pampa Metals” or the “Company”) is pleased to provide an update on its exploration activities in Chile.

As indicated in our corporate news release of December 23rd, 2020, SouthernRock Geophysics has re-initiated geophysical surveying at the Company’s Arrieros project in northern Chile after a short break for the Christmas and New Year period. Pampa Metals is acquiring Resistivity and 3D Vector Induced Polarization (“VIP”), together with Magneto-Telluric (“MT”) and ground magnetic measurements over the 14,000-hectare property, which is characterised by extensive post-mineral gravel cover (a “pampa” in Chile) and is located along the preeminent Eocene-Oligocene porphyry copper belt of northern Chile. Geophysical surveying work at Arrieros is expected to be concluded in early February. Additionally, the Company has deployed an experienced geologist to complete geological prospecting and mapping across the project area, particularly around the outcropping margins of the extensive pampa.

Following work at Arrieros, both the geophysical and geological teams will start exploration activities at the Company’s Redondo-Veronica project, a 5,000-hectare property also located along the highly prospective Eocene-Oligocene porphyry copper belt of northern Chile.

Julian Bavin, Pampa Metals’ CEO, commented: “Pampa Metals started work at Arrieros immediately after listing in December of last year, and continues now in the new year with comprehensive plans for exploration activities across its project portfolio over the coming months. Commodity prices have improved considerably over the last six months with copper and gold, Pampa Metals’ principal commodities focus, amongst the leading commodities in terms of price increases. The demand for copper is driven by industrial activities, construction and the Electric Vehicle (“EV”) market, and a forecast supply / demand gap over the next few years highlights the need for new discoveries. Gold prices are driven by a variety of factors, but current general global uncertainties are supporting strong precious metals prices.

Pampa Metals’ 58,000 hectares portfolio is large (see Figure 1) and is centred on one of the most productive segments of the Central Andean metallogenic province, which accounts for a significant percentage of the world’s copper production as well as significant precious metals production. The Company’s management and board believes that systematic exploration, focused on geology and the latest exploration technologies, can yield significant results from the exploration portfolio, and we look forward to pursuing our objective of making a discovery during the course of 2021.”

During 2020, the Company has successfully achieved the following objectives:

- Identified, negotiated and captured a high-quality portfolio of eight (8) projects (58,000 hectares) in one of the best mining jurisdictions on earth, in Northern Chile.
- Built a highly experienced and capable Board and a Management Team that has worked extensively in Chile and South America in general, with a vision to execute and accomplish our mission.
- Developed an operating plan that has prioritized targets within the project portfolio with a view to delivering value, effectively and efficiently.
- Received the necessary regulatory approvals and concluded a successful listing of the new entity on the Canadian Securities Exchange (“CSE”), as well as on the Frankfurt Stock Exchange (“FSE”).
- Completed an equity financing for gross proceeds of \$4,024,500.
- Immediate implementation of the work program at the Arrieros project, to be followed during Q1 2021 by the Redondo-Veronica projects.

For details of these actions and achievements, please refer to our corporate News Releases of December 14, 22 and 23, 2020.

COVID-19

The global outbreak of COVID-19 has led governments worldwide to enact emergency measures to combat the spread of the virus. Such measures may result in a period of business disruption, and in reduced operations, any of which could have a material adverse impact on the Company’s result of operations, financial condition and the market and trading price of the Company’s securities.

As of the date of this news release, the duration and immediate and eventual impact of the COVID-19 pandemic remains unknown. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company. The outbreak of COVID-19 has not caused disruptions to the Company’s business to date, but it may yet cause disruptions to the Company’s business and operational plans.

ABOUT PAMPA METALS

Pampa Metals is a Canadian company listed on the Canadian Stock Exchange (CSE: PM). Pampa Metals has interests in an outstanding portfolio of projects prospective 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 here www.pampametals.com.

ON BEHALF OF THE BOARD

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FORWARD-LOOKING STATEMENT

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.

Figure 1. Pampa Metals Projects – Location in Relation to the Principal Mineral Belts of Northern Chile

