

Pampa Metals Initiates Drone-Flown Aeromagnetic Survey at its Block 3 Copper Project in Chile

And Provides Update from Geological Mapping

(CSE: PM) (FSE: FIRA) (OTCPK: PMMCF)

For Immediate Release

Vancouver – June 9, 2021 – Pampa Metals Corp. (“Pampa Metals” or the “Company”) is pleased to announce that it has started a drone-flown aeromagnetic survey at its 10,000 hectare, wholly-owned Block 3 project in northern Chile. Geological mapping of the largely post-mineral covered property has also advanced.

Block 3

Block 3 is a large, more than 10,000-hectare property, located along the mid-Tertiary aged Domeyko Cordillera porphyry copper belt of northern Chile that comprises the world’s preeminent copper belt. The Block 3 project is in a highly prolific segment of the belt, centered approximately 55 km south-southwest of the giant La Escondida and Zaldivar copper mining district (BHP, Rio Tinto, Barrick, Antofagasta Minerals) and 170 km north-northeast of El Salvador (Codelco) (see news release dated March 9, 2021).

Two third-party porphyry-related prospects, Anakena and Sierra de Varas, are located adjacent to Block 3:

- Anakena is located within the uplifted Paleozoic basement block that flanks the eastern margin of the Block 3 property, and contains evidence of historic drill holes.
- Sierra de Varas is located within a third-party in-holding in the middle of the Block 3 property, and was previously drilled by Anglo American and others.

Both porphyry prospects occur close to, and to the east and west respectively, of the north-south trending Sierra de Varas fault system, which represents a major fault strand of the Domeyko Cordillera mineral belt.

Large portions of the Block 3 property are characterised by post-mineral Miocene to Recent alluvial and volcanic cover believed to be generally less than 150m thick. North-south trending ranges of hills border the western and eastern margins of the property, and consist of Paleozoic rhyolitic and dacitic lavas, Paleozoic granites and porphyries, Triassic sediments, Jurassic limestones, and Paleocene-Eocene rhyolite-dacite tuffs and porphyry domes. BHP completed a program of 13 wide-spaced, vertical, and shallow RC drill holes totaling 2,200m in 2014-2015 over parts of the post-mineral covered areas of Block 3. Several large areas within Block 3 remain untested by this shallow drilling.

Geophysics is the principal exploration methodology that will be applied by Pampa Metals to explore Block 3, to be followed by drill testing if warranted by results. Existing low resolution, wide-spaced, regional airborne magnetic data reveal a large magnetic feature that might represent a magmatic intrusive complex centered on

the Sierra de Varas project area, with significant extensions onto the Block 3 post-mineral covered ground controlled by Pampa Metals. According to limited radiometric data in the area, it is possible that such an intrusive complex could be of early-mid Tertiary age, and could in turn be related to one or more concealed porphyry copper systems.

Geological mapping has added detail to the sparse outcrops on the bulk of the project area, including the presence of fault-controlled exposures of Paleocene-Eocene rhyolite to dacite tuffs and porphyry/domes affected by weak argillic (kaolin-smectite) and intermediate argillic (smectite-hematite / smectite-chlorite-hematite) alteration, which may reflect the outer margins of possible concealed porphyry copper systems.

Pampa Metals has initiated a drone-flown aeromagnetic survey at 200m line spacing over the project area to improve on the quality of the geophysical data available. Depending on results, consideration will be given to subsequently completing an electrical geophysical survey over portions or the whole of the property.

Technical information in this news release has been approved by Mario Orrego G., geologist and a registered member of the Chilean Mining Commission and a qualified person as defined by National Instrument 43-101. Mr. Orrego is a consultant to the company.

ABOUT PAMPA METALS

Pampa Metals is a Canadian company listed on the Canadian Stock Exchange (CSE: PM) as well as the Frankfurt (FSE: FIRA) and OTC (OTCPK: PMMCF) exchanges. Pampa Metals owns a highly prospective 59,000-hectare portfolio of eight projects 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 www.pampametals.com.

ON BEHALF OF THE BOARD

Julian Bavin | Chief Executive Officer

INVESTOR CONTACT

Ioannis (Yannis) Tsitos | Director

investors@pampametals.com

www.pampametals.com

Neither the CSE nor the Investment Industry Regulatory Organization of Canada accepts responsibility for the adequacy or accuracy of this release.

Reference to existing or historic mines and projects, and the overall prospectivity of Chile, is for reference purposes only. The reader is cautioned that there is no evidence to date that comparable mineral resources could be found on Pampa Metals' properties.

FORWARD-LOOKING STATEMENTS

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.