

Pampa Metals' Partner – Chilean Gold Producer Austral Gold, Begins Exploration at Pampa Metals' Morros Blancos Project

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

For Immediate Release

Vancouver – August 11, 2021 – Pampa Metals Corp. (“Pampa Metals” or the “Company”) is pleased to announce that further to the news release of July 28, 2021, where the Company announced Austral Gold Ltd. (“Austral” – TSX-V: AGLD / ASX: AGD), a company with a producing gold mine complex in Chile, signed an option to acquire up to an 80% joint venture interest in two of Pampa Metals’ projects, Austral has initiated exploration activities at the Morros Blancos project. In addition, the closing conditions pursuant to the Option Agreement between the Company and Austral have been met.

Julian Bavin, CEO of Pampa Metals, commented: “We are pleased to see the initiation of exploration activities at our Morros Blancos project, one of two projects recently optioned by Austral. Austral brings great expertise in gold and silver exploration and is currently operating the active Amancaya gold-silver mine located immediately to the west of Morros Blancos in adjacent mineral concessions. We look forward to seeing Austral’s exploration program develop.”

Austral was recently granted an option to acquire up to an 80% joint venture interest in stages in Pampa Metals’ Morros Blancos and Cerro Blanco properties in exchange for certain cash payments, exploration expenditures and the return to treasury of 2,963,132 shares of Pampa Metals held by Austral’s wholly owned subsidiary, Revelo Resources Corp. In addition, Austral is required to complete a bankable feasibility study to earn the 80% interest in either or both properties. If the studies indicate that copper is the most valuable commodity instead of gold and silver, the Company can earn back an 80% interest under the same terms and conditions as those for Austral.

About Morros Blancos

The Morros Blancos (7,300 Ha) project is prospective for high-sulphidation epithermal gold-silver (+/- copper) and porphyry copper (+/- gold +/- moly) deposits and is located in the heart of the Paleocene Mineral Belt in northern Chile. The Paleocene Belt is host to important gold-silver and copper deposits and mines, and the project is located along a prolific segment of the prospective belt, along trend from important precious metals mines and projects, and adjacent and immediately east of Austral’s Amancaya gold-silver mine. Access to the project is easy, being located less than 30 Km from the Pan American Highway, and altitudes are moderate. The project lies within potential operational distance of Austral’s Guanaco processing plant, allowing for more flexible and potentially cheaper development and operation.

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 (OTCQX: 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

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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.