

Pampa Metals Closes Final Tranche of Private Placement

(CSE: PM) (FSE: FIR) (OTCQB: PMMCF)

For Immediate Release

December 28, 2023 – Vancouver, British Columbia

Pampa Metals Corp. (“Pampa Metals” or the “Company”) (CSE: PM / FSE: FIR / OTCQB: PMMCF) is pleased to announce that it has issued 2,250,000 units (“Units”) at a price of \$0.16 per Unit under the Non-Brokered Private Placement offering (the “Offering”) detailed in a December 19, 2023 News Release for gross proceeds of \$360,000. Each Unit consists of one fully paid common share and a half share purchase warrant entitling the holder to acquire an additional common share at a price of \$0.30 for a period of 3 years after the closing of the Offering.

No cash commissions or finder’s warrants were paid and all securities issued are subject to a four-month hold period, in accordance with securities laws and the policies of the Canadian Securities Exchange, as applicable.

Two directors of the Company participated in the Offering in the combined amount of \$87,400. The transaction with the directors, who are insiders of the Company, constitutes a “related party transaction” as defined under Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions (“MI 61-101”). The Company is relying on the exemptions under section 5.5(a) and section 5.7(1)(a) from the formal valuation and minority shareholder approval requirements of MI 61-101, as the fair market value of the common shares issued to the related party and the consideration paid by the related party under the Offering does not exceed 25% of Company’s market capitalization, as determined in accordance with MI 61-101. The Company did not file a material change report in respect of the related party transaction at least 21 days before the closing of the Offering, as the details of the participation by related party of the Company were not settled until shortly prior to closing of the Offering.

Total gross Offering proceeds of \$1,600,000 will fund follow-up diamond drilling at the newly acquired Piuquenes Copper-Gold Porphyry Project, where the Company recently reported 130m from 362m @ 1.31% CuEq*, within a broader interval of 558m from 362m @ 0.73% CuEq* which remains open at depth (*refer 5 December 2023 News Release*). Preparatory work is underway, and drilling is scheduled to commence in mid-January, with assay results to follow shortly thereafter.

Grant of Incentive Stock Options and RSUs

The Company also announces that it has granted a total of 2,117,138 stock options and restricted share units (“RSUs”) to its President & CEO and two consultants, in recognition of their effort in identifying and securing the Piuquenes Project.

1,000,000 RSUs have been granted to the Company's President & CEO, with 500,000 to vest upon the 10-day volume weighted average trading price of the common shares being equal to \$0.30 and 500,000 upon the 10-day volume weighted average trading price of the common shares being equal to \$0.45.

650,000 stock options exercisable at \$0.30 until December 28, 2026 have been issued to one consultant and 467,138 RSUs to another consultant, to vest upon the 10-day volume weighted average trading price of the common shares being equal to \$0.30.

The latest Company presentation can be accessed at <https://pampametals.com/investor/>.

ON BEHALF OF THE BOARD

Joseph van den Elsen | President & CEO

INVESTORS CONTACT

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ABOUT PAMPA METALS

Pampa Metals is listed on the Canadian Stock Exchange (CSE:PM), Frankfurt (FSE: FIR), and OTC (OTCQB: PMMCF) exchanges, and wholly owns a portfolio of projects highly prospective for copper, molybdenum, and gold along proven and highly productive mineral belts in Chile, the world's largest copper producer.

In November 2023, the Company announced it had entered into an Option & JV Agreement for the acquisition of an 80% interest in the Piuquenes Copper-Gold Porphyry Project in San Juan Province, Argentina.

Qualified Person

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.

* %CuEq values are calculated based on copper and gold metal prices: Cu = US\$3.20/lb, Au = US\$1,700/oz and Ag = US\$ 20/oz. The formula utilized to calculate %CuEq is: $\text{Cu Eq Grade (\%)} = \text{Cu Head Grade (\%)} + [(\text{Au Head Grade (g/t)} / 31.104) * (\text{Au Price (US\$/oz)} / \text{Cu Price (US\$/lb)} / 22.04) + [(\text{Ag Head Grade (g/t)} / 31.104) * (\text{Ag Price (US\$/oz)} / \text{Cu Price (US\$/lb)} / 22.04)$.

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

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" and similar expressions, or that events or conditions "will" or "may" occur. These statements are subject to various risks. 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.