



Panoro Minerals Completes Sale of Cochasayhuas Gold Project

VANCOUVER, B.C., June 10, 2020 – **Panoro Minerals Ltd.** (TSXV: PML, Lima: PML, Frankfurt: PZM) (“Panoro”, the “Company”), is pleased to announce that it has completed the sale of the Cochasayhuas Gold Project to Mintania S.A.C. (Mintania) of Peru for a total of US\$ 2.45 million to be paid in instalments plus a 5% Net Smelter Return royalty (NSR) for 15 years from the commencement of commercial production.

The cash installments will be paid according to the following schedule:

1. US\$ 450,000 in 2020, on closing
2. US\$1,000,000 in 2021;
3. US\$ 750,000 in 2022;
4. US\$ 250,000 in 2023; and

The payment of the 5% NSR will commence on a quarterly basis following the start of commercial production.

The Cochasayhuas Project is a past producing underground mine in operation until the 1950’s with a total life of mine production of 401,000 ounces of gold and 480,000 ounces of silver (SRK, 2007). The project is a low sulphidation Au-Ag Epithermal type deposit distributed in three vein systems hosted in igneous rocks and sediments, namely the:

1. Cochasayhuas vein;
2. San Fernando-San Lucas vein; and
3. Las Tapadas vein systems

The historic underground mine in the Cochasayhuas vein operated from 1912 to 1952 with a yearly production of 156 to 674 kgs Gold and 500 to 1,917 kgs Silver, with head grades of up to 36.8 Au g/t and 180 Ag g/t in defined zones. The ore shoot dimensions are estimated to be 600 meters by 150 meters with an average width of 1.0 meters. The vein is exposed in 9 levels of drifting developed to a depth of 400 meters from surface. The ore shoot limits remain open in all directions.

The project is located in the district of Progreso, province of Grau, Department of Apurimac, in Southern Peru. The property comprises 1,836 hectares located at elevations between 3,700 and 4,200 meters above sea level. Access to the property is via 260 km of road from Cusco. The road is paved from Cusco to the Las Bambas mine with a narrower paved road a further 45 km to the project.

Panoro acquired the project in 2007 and carried out exploration works to further delineate the extension of the Cochasayhuas vein along strike as well as several new parallel veins. Panoro completed an exploration campaign at the San Fernando–San Lucas vein, which extends 5km along strike approximately 100 to 200 meters to the west of the Cochasayhuas vein. The exploration program identified the potential for additional ore shoots near the surface, within a similar geologic environment as the Cochasayhuas vein.

The nearby producing mines include the Santa Rosa gold mine (Minera Misti Gold) located 18km to the southwest and the Anabi gold mine (Minera Aruntani) located 30km to the southeast. The two operations have historic production of 1.0 and 2.0 million ounces of gold, respectively.

Mintania is planning to commence mining operations as soon as design and permitting can be completed and plan to process the ore at their existing processing plant in Peru.

Panoro has now completed strategic transactions at four of its projects:

1. Precious Metals Purchase Agreement with Wheaton Precious Metals at the Cotabambas Project;
2. Joint Venture with the Japan Oil, Gas and Metals National Corporation (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.

The above transactions 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 Cochasayhuas Projects.

Luquman Shaheen, President & CEO of Panoro Minerals states, “We are pleased to have completed this transaction with Mintania. The cash payments and NSR will add to the funding available to Panoro to focus on its core Cotabambas Project. The funding from this transaction together with funding from Wheaton Precious Metals and Hudbay constitute important ongoing cash injections to be directed to the Cotabambas Project and corporate costs while avoiding share capital dilution. Funding from Jogmec will continue to advance the exploration works at the Humamantata Project. Leveraging our non-core projects with strategic partnerships to mitigate financing risk and share dilution, while maintaining longer term upside for our shareholders, will remain a key part of our strategy into the future.”

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. The Company also has a Joint Venture agreement with the Japanese Oil, Gas and Mineral Exploration Company (JOGMEC) to advance its early stage Humamantata Copper Project and a partnership with Hudbay Minerals Inc. at its Kusiorcco Copper Project where Panoro is to receive cash payments and a 2% NSR royalty.

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
<p>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</p> <p>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.</p>				

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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