

Peruvian Metals Corp. Provides Update on Palta Dorada Gold-Silver-Copper Project with Rio Silver Inc.

Edmonton, Alberta--(Newsfile Corp. - July 6, 2020) - **Peruvian Metals Corp.** (TSXV: PER) ("**Peruvian Metals**" or the "**Company**") is pleased to announce that the Company plans to initiate during the third quarter an exploration and bulk sampling program on the high grade Au-Ag-Cu Palta Dorada project ("Palta Dorada", "Property") located in the Ancash Department of Peru. Permits have been approved to extend the underground workings at the main exploration target on the property. The extracted mineralized material will form the bulk samples and will be processed at Peruvian Metals' Aguila Norte Processing Plant. The Company signed a Memorandum of Understanding ("MOU") with Rio Silver Inc. ("Rio Silver") in early January 2020 (see the Company's news release January 9th) to jointly explore and develop the Property by conducting a detailed sampling and mapping program along with a bulk sampling campaign.

The Property covers an area of approximately 1200 hectares. Precious metal mineralization at Palta Dorada consists of several high grade Au-Ag-Cu structures hosted in granitic rocks. The exploration model that represents this type of gold-silver mineralization is considered to be "Intrusion Related Gold Vein Systems". Similar gold systems are located in Peru's gold rich Pataz and Nasca-Ocoña Gold Belts and the gold systems within the Tintina Gold Belt of Alaska.

Initial work at Palta Dorada identified and sampled four structures. The "Main Structure" that trends ENE-WSW consists of a quartz vein exposed both in outcrop and in two small underground adits and shafts. The Main Structure is observed to have a strike length of over 800 metres and is open along strike in both directions. Artisanal workings expose portions of the Main Structure including a 53 metre deep shaft where seven chip samples were taken at various depths from a quartz vein containing sulphides. Assays results from these samples range from 3.06 g/t Au to 24.1 g/t Au, 36 g/t Ag to 865 g/t Ag and 0.31% Cu to 4.94% Cu over an average width of 0.60 meters. The weighted average of the assay results is 10.51 g/t Au, 329 g/t Ag and 1.74% Cu.

A second mineralized structure, the "North 1 Structure" or "N1S" is observed north of the Main Structure and trends WNW-ESE. The intersection of these structures represents a good exploration target. Twelve samples were taken from small workings over a strike length of approximately 480 meters. All samples were strongly oxidized and assay results ranged from 1.40 g/t Au to 17.3 g/t Au, 10.8 g/t Ag to 456 g/t Ag and 0.02% Cu to 0.14% Cu over widths of 0.20 to 0.80 meters. The weighted average of the results is 7.92 g/t Au and 102 g/t Ag. A bottle-roll metallurgical sample with a head grade of 13.0 g/t Au and 102 g/t Ag returned 92.15-per-cent gold and 65-per-cent silver recoveries over 36 hours. Two other gold bearing structures, the "South 1 Structure" or "S1S" and the "South 2 Structure" or "S2S", were identified approximately 1500 meters south of the artisanal workings on the Main Structure. Limited sampling was conducted in this area however one sample was taken from a mineral sack ready for shipment to a toll mill contained oxidized quartz material returning 14 g/t Au and 74.4 g/t Ag.

The Company plans to start a property wide sampling and mapping program followed up by a detailed magnetic survey. The exploration will also consist of continuing the underground sampling and mapping on the Main Structure. This will involve extending the underground workings both laterally and vertically. Permits have been submitted and approved to conduct this underground work which will result in bulk samples of mineralized material. The underground work will greatly aid in the understanding of the mineralized structures, which can be followed by underground drilling. The COVID-19 restriction imposed by the government at this time does not yet allow the Company to commence underground work but is expected in the next phases of reopening of the Peruvian Economy.

Metallurgical work performed by Procesmin Ingenieros Laboratories from a composite sample from

mineral ready for shipment to toll mills by the previous owner had a head grade of 23.21 g/t Au, 29.04 oz/t Ag and 4.95% Cu. Metallurgical work showed that two concentrates can be produced. The first and more valuable concentrate graded 125.59 grams Au/MT, 4,808 grams Ag/MT and 24.41% Cu. A second Au-pyrite concentrate was also produced graded 11.46 grams Au/MT Au, 565 grams Ag/MT and 2.90% Cu. Sales from metal concentrates produced from the bulk sampling activity will be shared between the two companies less all operational expenses related to the bulk sampling. Peruvian Metals' 80% owned Aguila Norte Processing Plant will charge the joint effort commercial mineral processing rates on a similar basis to its other clients. The Processing Plant is accessible from the Property by approximately 180 kilometres of mainly paved roadway.

Peruvian Metals will act as the operator of the joint effort and was responsible for obtaining the permits necessary to explore and extract the bulk samples. Jeffrey Reeder the CEO of Peruvian Metals states: "Our company is excited to initiate the exploration on the highly prospective Au-Ag-Cu Palta Dorada property with Rio Silver. The Property has several high grade Au-Ag-Cu veins ready to be explored and developed. We understand that grade is KING and we will concentrate our efforts on understanding the controls and types of precious metal mineralization on the property. The Property has excellent infrastructure and with the strength in gold prices, the precious metal concentrates produced at our Aguila Norte Plant from the bulk sampling will allow further non dilutive exploration and development of this prospective Palta Dorada Au-Ag-Cu property."

Jeffrey Reeder, P Geo, a qualified person as defined in National Instrument 43-101, has prepared, supervised the preparation or approved the scientific and technical disclosure contained in this news release.

About Peruvian Metals Corp.

Peruvian Metals Corp. is a Canadian Exploration and Mineral Processing company. Our business model is to provide toll milling services for clients and to produce high grade concentrates from mineral purchases. The Company continues to acquire and develop precious and base metal properties in Peru.

For further information on Peruvian Metals Corp. please visit www.peruvianmetals.com .

***Peruvian Metals Corp. is a Canadian resource company listed on the
TSX Venture Exchange: Symbol "PER"***

For additional information, contact: Jeffrey Reeder Tel: (647) 302-3290

Website: www.peruvianmetals.com Email: jeffrey.reeder@peruvianmetals.com

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