



PERUVIAN METALS CORP. ACQUIRES 50% INTEREST IN SAN MAURIZO MINES INC. TO DEVELOP THE MERCEDES GOLD-SILVER-ZINC-LEAD PROJECT IN CENTRAL PERU

(Edmonton, Alberta – February 28th, 2024) Peruvian Metals Corp. (TSXV: PER / US: DUVNF) (“Peruvian Metals” or the “Company”) is pleased to announce the signing of a definitive agreement to acquire a 50% interest in San Maurizo Mines Inc. (“San Maurizo”), a private Manitoba-based company (the “Transaction”). This strategic collaboration paves the way for both entities to collectively develop the promising Mercedes gold-silver-lead-zinc-copper property (“Mercedes” or the “Property”), situated in central Peru.

Upon completion of the Transaction, San Maurizo will hold an exclusive 100% direct interest in the Property via its wholly owned Peruvian subsidiary, Basic Minerals SAC (“Basic Minerals”). Peruvian Metals is set to acquire a 50% stake in San Maurizo by purchasing half of the outstanding shares currently owned by its sole shareholder, Hudson Heartland Ltd. (“Hudson”). The project is subject to a 20% Net Profit Interest (“NPI”) which will be eliminated once US\$5 million has been paid to the NPI holder. Afterwards, a 1.5% Net Smelter Royalty (“NSR”) will be paid to the NPI holder. San Maurizo retains the right to buyout the NSR for US\$1.5 million.

The Property is situated in the Junin Department in central Peru and covers an area of 1,345 hectares. The Property is accessed via a well-maintained gravel road extending approximately 40 kilometers from the town of Concepcion. The region boasts excellent infrastructure, complemented by a nearby local airport. Concepcion is strategically positioned on the central highway, enhancing transportation connectivity to the area. Peruvian Metals’ prospective Minas Maria Norte property is located approximately 140 kilometres south of Mercedes.

The Property has a history of extensive underground workings, featuring numerous horizontal drifts and vertical raises totaling over 1,000 meters. Dating back to the early 1980s, previous operators concentrated on three primary structures known as Victor 1, Victor 2, and the Kelly vein. Over 15 mineralized structures have been identified, intersecting Upper Cretaceous and Late Tertiary Sucllamachy granites. These structures, including the Victor and Kelly veins, run subparallel to a large U-shaped gully, providing convenient underground access via adit to the mineralized structures, thus enhancing the Property’s overall prospectivity.

The initial exploration and development phase will focus on creating a 200-meter drift crosscut to access the Victor and Kelly veins, positioned 50 meters below the historical workings. Two samples taken from the main Victor 2 vein’s underground workings yielded notable results, averaging 3.62 grams of gold per metric tonne, 7.43 ounces of silver per metric tonne, 1.66% lead, and 3.59% zinc. Moreover, three samples collected from various mineral sacks prepared by a group of local miners, ready for shipment to a nearby toll mill, exhibited higher averages of 8.16 grams of gold per metric tonne, 17.88 ounces of silver per metric tonne, 4.36% lead, and 4.38% zinc per metric tonne. Please note that the potential quantity and grade is conceptual in nature, that there has been insufficient exploration to define a mineral resource and it is uncertain if further exploration will result in the target being delineated as a mineral resource.

Peruvian Metals has already actively supported Basic Minerals by facilitating the acquisition of permits for bulk sampling extraction and successfully securing access agreements with the local community. As the only title holder, Basic Minerals can and will nullify any rights granted to third parties for mineral extraction within the Property. Additionally, Basic Minerals is currently in negotiations to process the minerals from Mercedes at a local toll mill situated 12 kilometers away.

Terms of Acquisition

Peruvian Metals is set to acquire a 50% ownership stake in San Maurizo through the issuance of 2.5 million common shares to Hudson at a deemed issuance price of C\$0.08 per common share. The Transaction establishes Peruvian Metals and Hudson as the exclusive shareholders of San Maurizo. In addition, both entities have formalized their collaboration through comprehensive shareholders' and operating agreements, outlining their joint commitment to explore and develop the Property. As part of the Transaction, Peruvian Metals will extend a US\$250,000 loan to San Maurizo, mirroring the loan provided by Hudson. Up to the present date, Peruvian Metals has already contributed and loaned US\$80,000 towards this collaborative venture.

San Maurizo will maintain its leadership under the guidance of CEO Eric Hinton, P. Eng, who also serves as the sole shareholder of Hudson. Mr. Hinton, a distinguished member of the Professional Engineers of Ontario, the Association of Professional Engineers and Geoscientists of the Province of Manitoba, and a Fellow of the Canadian Institute of Mining and Metallurgy, holds the designation of Qualified Person as per National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("NI 43-101") guidelines. With over 35 years of extensive expertise in both underground and open-pit mining across Canada, the United States, Ghana, and Zimbabwe, Mr. Hinton brings a wealth of experience to the role. Meanwhile, Peruvian Metals will actively contribute to the project by providing essential services such as accounting, permitting, and geological expertise.

Jeffrey Reeder, the Chief Executive Officer of Peruvian Metals, states: "We are thrilled to embark on a collaborative journey with Hudson to explore and develop the promising Mercedes property. This site boasts numerous high-grade veins rich in precious and base metals, presenting excellent opportunities for exploration and bulk sampling. Aligning with our established business model, we aim to support small miners across Peru by providing essential resources such as capital, permitting assistance, and geological expertise. The permitting process for the Property is near completion, ensuring a smooth transition into both the exploration and development phase. This strategic partnership with San Maurizo is anticipated to yield substantial cash flow for both entities, with a notable reduction in administrative costs, further enhancing the economic viability of the venture."

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

The completion of the Transaction, including the issuance of common shares to Hudson, remains subject to certain regulatory approvals, including the approval of the TSX Venture Exchange.

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 sulphide 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" , and the OTCQB Venture Market: Symbol "DUVNF".
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“anticipate”, “plan”, “expect”, “believe”, “estimate”, “forecast” and similar terminology to identify forward looking statements and forward-looking information. Such statements and information are based on assumptions, estimates, opinions, and analysis made by management in light of its experience, current conditions and its expectations of future developments as well as other factors which it believes to be reasonable and relevant. Forward-looking statements and information involve known and unknown risks, uncertainties and other factors that may cause our actual results to differ materially from those expressed or implied in the forward-looking statements and information and accordingly, readers should not place undue reliance on such statements and information. Risks and uncertainties are more fully described in our annual and quarterly Management’s Discussion and Analysis and in other filings made by us with Canadian securities regulatory authorities and available at www.sedarplus.ca. While the Company believes that the expectations expressed by such forward-looking statements and forward-looking information and the assumptions, estimates, opinions and analysis underlying such expectations are reasonable, there can be no assurance that they will prove to be correct. In evaluating forward-looking statements and information, readers should carefully consider the various factors which could cause actual results or events to differ materially from those expressed or implied in the forward-looking statements and forward-looking information.