



Peruvian Metals Corp. Provides Corporate Update

(Toronto, Ontario – October 9, 2018) Peruvian Metals Corp. (TSXV: PER; BVL: PER) (“Peruvian” or the “Company”) is pleased to provide an update on its 80% owned Aguila Norte Processing Plant (“Aguila Norte Plant” or the “Plant”) located in Northern Peru, and the progress being made by Peruvian’s earn-in partners, First Quantum Minerals Limited and IAMGOLD Corporation, at the Company’s 100% owned Panteria Cu-Au Porphyry and Mansa Musa Au-Ag High Sulphidation projects, respectively.

During the third quarter of 2018, the Company entered into a long term contract with a mineral supplier to purchase a minimum of 600 tonnes per month of high grade lead-zinc (between 20% to 30% combined Pb-Zn) material with good silver credits. Shipping of this material to the Plant has commenced and processing of the first batch is expected to be conducted during the month of October. The Company expects that the mineral supplier will increase the tonnage up to 1000 tonnes per month over the next several months. To process this mineral the Company made significant modifications to the Aguila Norte Plant by installing new equipment, which has been fully tested. Before the modifications, the Plant could only process lead grades below 5% to achieve optimal recoveries. Now, not only will higher quality lead-silver concentrates be produced, but the modifications will also aid in producing higher grade zinc concentrates.

Peruvian is continuing to negotiate on several mineral purchase agreements for secure sources of mineralized material. The Company eventually intends to focus only on mineral purchase agreements, and processing 100% owned mineral from Peruvian’s concessions. The Company is currently preparing for exploitation permits to extract mineral on certain of its 100% owned concessions and will process this mineral at the Plant or other processing facilities in Peru. The Company is also pleased that recent agricultural and economic activity in the area resulted in improved infrastructure. A power line was recently completed in the area to supply electricity to the local livestock and poultry farmers, reducing the distance for connection of the Plant to the electrical grid from 11.5 kilometres to 3.5 kilometres and significantly reducing the cost of connecting to the grid. The Company has initiated a new study to connect the Aguila Norte Plant to the electrical grid and has already been given permission to build the infrastructure.

During the commissioning phase the Aguila Norte Plant will also process third party mineral. The Company has entered into agreements with two mineral suppliers to process an additional combined 1000 tonnes per month by charging a processing fee. As well a spot contract to initially process 1000 tonnes for a processing fee has been signed. The Company believes that this contract will lead to a significantly longer contract since the recent plant modifications and the location of the Plant are very favourable for this supplier. The Plant is capable of producing three concentrates from the same mineral source. The Company charges higher processing fees to produce multiple concentrates so preference will be given to the polymetallic mineral suppliers.

Peruvian is pleased with the progress made by earn-in partners First Quantum Minerals and IAMGOLD Corporation. Both companies are aggressively exploring Peruvian’s projects. The Company will provide updates as their activities progress. The Company is currently conducting further sampling and mapping on several 100% owned concessions hosting Au-Ag-Cu-Pb-Zn mineralization located in the Huachocolpa Mineral District in South Central Peru. This historic mineral district has experienced a renewed interest by several Peruvian and international explorers.

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 Corporation

Peruvian Metals Corp. is a Canadian exploration company focused on mineral processing and the exploration and development of precious and base metal properties in Peru.

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

***Peruvian Metals Corporation. is a Canadian resource company listed on the
TSX Venture Exchange and the Bolsa de Valores de Lima: Symbol "PER"
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