

Pampa Metals Identifies Intense Porphyry-Related Quartz-Vein Stockwork at Surface at its Block 4 Project After Completing Geological and Geophysical Reconnaissance

(CSE: PM) (FSE: FIRA) (OTCQX®: PMMCF)

For Immediate Release

Vancouver – October 18, 2021 – Pampa Metals Corp. (“Pampa Metals” or the “Company”) (CSE: PM / FSE: FIRA / OTCQX®: PMMCF) is pleased to provide an update regarding its 4,200-hectare Block 4 Project in northern Chile, where the Company has completed detailed surface geological reconnaissance together with a ground magnetic geophysical survey of the project area.

Pampa Metals’ Block 4 project is located along the Cordillera de Domeyko Porphyry Copper Belt in northern Chile, which is host to some of the world’s largest copper deposits and mines. The property is located along a highly prolific segment of this Andean mineral belt, centred along trend some 110 km south of the giant La Escondida - Zaldivar copper mining district and 115 km north-northeast of the El Salvador copper mine.

Pampa Metals has a unique property portfolio of eight (8) projects covering a series of greenfield copper and gold targets along the highly productive, world-class mineral belts of northern Chile. The company has a highly qualified board and management, with lengthy experience with major and junior companies, participation in significant discoveries, and multiple decades of experience in South America. Current technical activities include:

- Ongoing geophysical, geochemical, and geological surveys have identified high-quality drill targets on 4 wholly owned projects;
- Recent drilling at 2 of these projects has given clear vectors towards what are interpreted to be mineralised porphyry centers;
- Value-add via third party expenditures with an Option & JV Agreement at 2 additional projects.

Block 4: Summary & Highlights

- Intense quartz-veinlet stockwork in dacitic porphyry intrusion discovered in limited outcrops in center of Block 4 property boundary.
 - Characteristic of porphyry gold systems elsewhere.
 - Limited outcrops allow for limited rock-chip sampling – results pending.
- Clear, discrete, magnetic high associated with area of quartz-veinlet stockworking.
 - No historic drilling associated with this discovered zone of interest.
- Other magnetic features of potential interest occur within the property boundary, including an area with sporadic copper oxides at surface that has been subject to historic (old) RC drilling (results unknown to the Company).
 - Magnetic features of interest under cover to the east and north of the principal zone of interest are associated with lineaments that possibly reflect the extensions of mapped north-south faults.
- Further work programs being planned.

Block 4: Technical Details

The Pampa Metals technical team in Chile completed a 1:5000 geological mapping survey of the Company's 4,200 Ha Block 4 project in early October 2021. This work followed on from the recent completion of a ground-based magnetic survey (see news release dated August 3, 2021), which identified several magnetic anomalies of potential interest. Field mapping has delineated lithological units, structures, hydrothermal alteration, and mineralisation within the Block 4 property, where outcropping.

Block 4 is located along the Cordillera de Domeyko Porphyry Belt – the world's most prolific copper producing belt – about 110 km south of the La Escondida – Zaldívar copper mining cluster (Figure 1). Significant portions of the Block 4 project area are characterised by post-mineral Miocene to Recent alluvial and volcanic cover, particularly to the north and east within the property boundary, where the underlying geology is obscured. Elevated sierras around the western and southern margins of the property expose basement rocks that include Palaeozoic felsic volcanics and intrusions, and Mid- to Late- Triassic andesites, sediments and andesite-dacite porphyries.

The basement rocks are limited to the east by a series of north-south to north-northeast faults, which to the north have continuity with the Escondida Fault that cuts the La Escondida - Zaldívar mining district. Old reports and regional data indicate that Jurassic sediments are intruded by Lower Tertiary dioritic rocks under the gravels to the east of the north-south fault system.

Palaeozoic felsic volcanic rocks in the central-northeastern part of the property display copper-oxide mineralization at surface associated with hydrothermal alteration with quartz veins and veinlets, the relationship of which to porphyry systems has been tested in the past by eleven, old, third-party RC drill holes identified on this portion of the property, the results of which are unknown to Pampa Metals.

Felsic basement rocks in the central part of the project area are cut by a possibly Lower- to Mid- Tertiary porphyry of fine, dacitic composition that is poorly exposed over an approximate area of 600m x 300m. This shows strong evidence of porphyry-type development with phyllic alteration and narrow and thick veinlets of "A" type quartz veinlets together with sinuous, banded grey quartz veinlets (see photograph below).



This veinlet style is typical of some gold-rich porphyry systems in northern Chile. Limited samples (due to the lack of outcrop) have been submitted for chemical analysis, with results pending.

Quartz-Veinlet Stockwork in Center of Block 4 Project Area

"A"-Type and Banded Grey Quartz Veinlets

Various processed product maps from a ground magnetic geophysical survey recently completed at Block 4 consistently reveal a clear, isolated magnetic high in the central part of the property, which is coincident with the zone of quartz-veinlet stockworks. The magnetic anomaly is about 800m x 800m in surface plan view, and depth slices of the data suggest a subvertical, conical body at least 750m in vertical extent, possibly connected to a larger intrusion to the northeast and southeast (Figure 2).

The magnetic data indicate additional anomalies that may be associated with magmatic centres and/or porphyry-related hydrothermal alteration zones, with minor copper oxides occurring in the exposed zones, while others under cover are associated with north-south faults or magnetic lineaments. One of these has 4 historic RC drill holes on its margins, with unknown results.

Pampa Metals continues with the processing and interpretation of its field geological and geophysical data, including pending chemical analyses from limited sampling, to decide the next steps for the project, which may include one or more of further geological work, limited trenching, additional geophysical surveys, and reconnaissance drilling.

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.

Note: The reader is cautioned that the Block 4 Project is an early-stage exploration property and reference to existing mines and deposits, or mineralization hosted on adjacent and nearby properties, is not necessarily indicative of any mineralization hosted on the Block 4 Project.

COVID-19

The global outbreak of COVID-19 has led governments worldwide to enact emergency measures to combat the spread of the virus. Such measures may result in a period of business disruption including reduced operations, which could have a material adverse impact on the Company's results of operations, financial condition and the market and trading price of the Company's securities.

As of the date of this news release, the duration and immediate and eventual impact of the COVID-19 pandemic remain unknown. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company. The outbreak of COVID-19 has not caused significant disruptions to the Company's business to date, with field activities being conducted by Chile-based specialists and consultants, although international travel to Chile for management has not been possible to date. Important business communication is largely reliant on digital media. Notwithstanding progress to date, the COVID-19 outbreak may yet cause disruptions to the Company's business and operational plans.

ABOUT PAMPA METALS

Pampa Metals is a Canadian company listed on the Canadian Stock Exchange (CSE: PM) as well as the Frankfurt (FSE: FIRA) and OTC (OTCQB®: PMMCF) exchanges. Pampa Metals owns a highly prospective 59,000-hectare portfolio of eight projects for copper and gold located along proven mineral belts in Chile, one of the world's top mining jurisdictions. The Company has a vision to create value for shareholders and all other stakeholders by making a major copper discovery along the prime mineral belts of Chile, using the best geological and technological methods. For more information, please visit Pampa Metals' website www.pampametals.com.

ON BEHALF OF THE BOARD

Julian Bavin | Chief Executive Officer

www.pampametals.com

INVESTOR CONTACT

Ioannis (Yannis) Tsitos | Director

investors@pampametals.com

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FORWARD-LOOKING STATEMENTS

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", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential", "indicate" and similar expressions, or that events or conditions "will", "would", "may", "could" or "should" occur. 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.

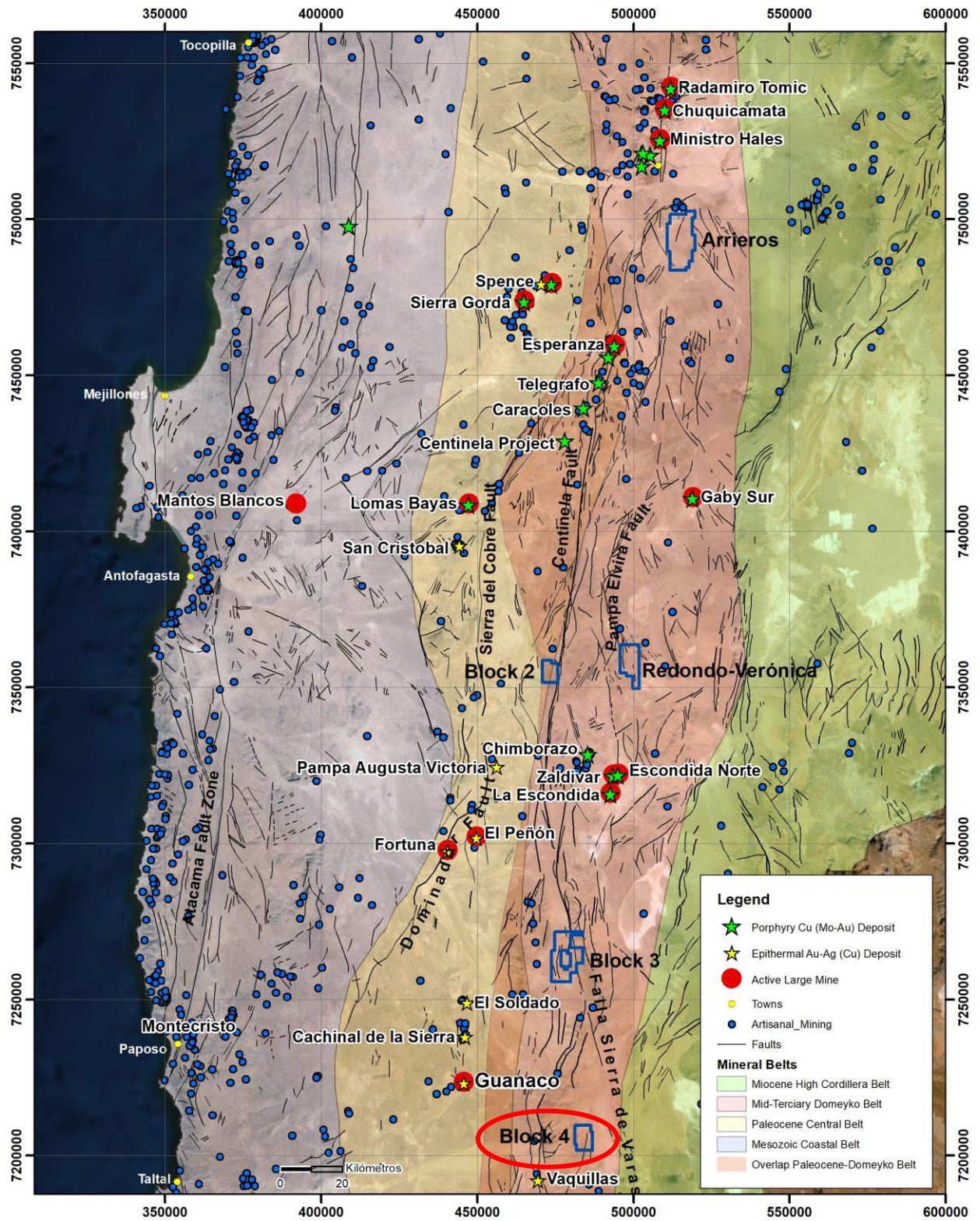


Figure 1: Location of Block 4 on Regional Map Together with Other Pampa Metals' Properties Along Domeyko Copper Belt (Blue Polygons)

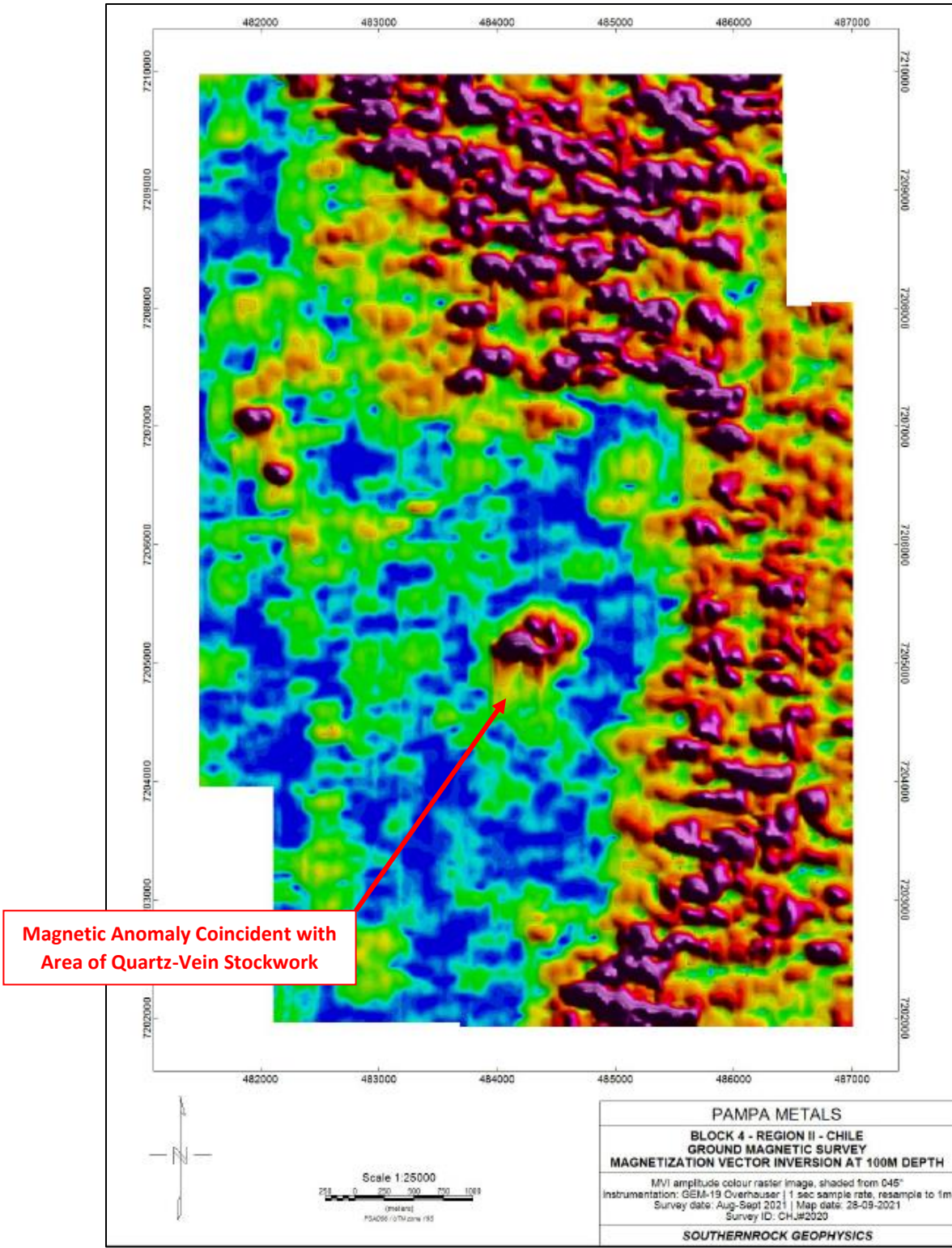


Figure 2: Block 4 – Ground Magnetics – MVI @ 100m Depth
 Central Magnetic Feature Coincides with Outcropping Quartz-Veinlet Stockwork Zone
 Isolated Anomalies in Central Western Portion of Project Area are of Potential Interest
 “Rubble” Anomalies to North & East Reflect Ignimbrite in Post-Mineral Cover