

Pampa Metals Partners with VerAI Discoveries to Explore for Copper & Gold On Eight New Projects in Chile as Copper & Gold Prices Near Historic Levels

(CSE: PM) (FSE: FIRA) (OTCQX®: PMMCF)

For Immediate Release

Vancouver – February 1, 2022 – Pampa Metals Corp. (“Pampa Metals” or the “Company”) (CSE: PM / FSE: FIRA / OTCQX®: PMMCF) is pleased to announce that it has signed definitive documentation (the “Agreement”) with VerAI Discoveries Inc. (“VerAI”), a Boston-based private corporation, allowing Pampa Metals to evaluate and explore a series of copper and precious metals targets that have been generated by VerAI using proprietary Artificial Intelligence (“AI”) methodologies. The targets are distributed within eight (8) property blocks, wholly owned by VerAI, totaling about 18,700 hectares located in parts of central northern Chile. The eight property blocks all lie within similar geographic and geologic areas to Pampa Metals’ wholly owned portfolio of projects that totals an additional 62,000 hectares.

Paul Gill, CEO of Pampa Metals, commented: “This is an exceptional opportunity for Pampa Metals to leverage cutting edge technologies in the exploration for porphyry copper, iron-oxide-copper-gold (“IOCG”), and other related mineral deposit types in a highly prospective part of northern Chile. The Agreement with VerAI not only gives the Company access to the predictive results of the latest in AI technology applied to mineral exploration, but VerAI’s property portfolio is highly complementary to that of Pampa Metals. The Company has manageable commitments that will allow it to evaluate VerAI’s portfolio, and potentially add quality projects for more detailed exploration to complement its already highly prospective portfolio. We look forward to working with VerAI’s experienced team and seeing the results of the exploration work on the ground.”

About the Agreement

VerAI has used proprietary AI technology and high-resolution geophysics data to generate a series of exploration targets distributed between eight property blocks, which total about 18,700 hectares.

The Agreement includes the following key aspects and commitments:

- Pampa Metals has an exclusive option over 12 months to define one or more Designated Projects (“DPs”) from the eight property blocks owned by VerAI
 - Pampa Metals must spend US\$ 500,000 in total in exploration activities over the 12 months.
 - Five of the eight projects must be “Designated” or returned to VerAI within 6 months.
 - The remaining three projects must be “Designated” or returned to VerAI over the remaining 6 months.
- Pampa Metals must spend a minimum of US\$1 million on each DP over the following 2 years for the Company to earn a 51% in each DP selected.
 - If Pampa Metals fails to spend US\$1 million on any DP, the project will be returned to VerAI.

- If Pampa Metals earns 51% on any DP, a Joint-Venture (“JV”) company will be established for the JV project, which will be governed by a Shareholders’ Agreement, whose outline terms have already been agreed.
 - At 51% on any DP, Pampa can opt to earn a further 24% (to 75%) by completing a Canadian NI-43-101 compliant Preliminary Economic Assessment (“PEA”) on the DP over the next 2 years.
 - Should Pampa Metals decide not to proceed towards completion of a PEA, VerAI will take over management of the project and both parties will be liable for their respective pro-rata expenditures on the project (51/49), with standard dilution clauses applicable.
- If Pampa Metals earns 75% of a DP by completing a PEA, both parties will then be liable for their respective pro-rata contributions for the continuing development of the project (75/25).

VerAI Methodology

VerAI has utilised high-resolution geophysics data as the principal data source to generate its targets. The data covers an area of approximately 170 Km north-south by 60 km east-west, mostly located over the Paleocene (or Central) mineral belt in northern Chile, but also partially encompassing portions of the Coastal mineral belt. The study block extends from just south of the multi-million ounce El Peñon gold-silver mining district (Yamana Gold) in the north, to the Franke copper mine (KGHM) in the south, and includes several historic mines and exploration projects, as well as the operating Guanaco and Amancaya mines (Austral Gold).

The AI targeting process is multi-faceted and iterative, improving the confidence that targets generated are reduced to the very best matches to be staked and claimed in northern Chile.

The targets are mostly obscured by post-mineral, gravel-filled basins, or “pampas” where the underlying geology of interest is largely not visible or available for geologic mapping, resulting in targets that have eluded previous exploration campaigns.

Initial Exploration Program

Pampa Metals will immediately commence carrying out field inspections of the eight property blocks, including geological mapping of all available outcrops, including those located around the immediate periphery of the properties. Small-scale geophysical surveys will be considered to test for hydrothermal systems beneath post-mineral cover, together with the possible use of shallow, reconnaissance, reverse circulation drilling. VerAI will support Pampa Metals’ activities by continuously revising and refining the AI models as new data is gathered and recorded.

About VerAI

VerAI Discoveries is committed to accelerating the global zero-carbon transformation by discovering the minerals essential for our sustainable future.

VerAI deploys an innovative Artificial Intelligence Targeting Platform that detects concealed mineral deposits in covered terrain, while systematically improving the probabilities of success and shortening the time to discovery. Based in Boston and operating in both North and South America, VerAI generates multiple high-probability Target Portfolios in select jurisdictions, and partners with leading exploration players to create long-term value from discovering new mineral deposits. Its board of directors, advisors, and technical team have decades of experience in the Mineral Exploration and Artificial Intelligence sectors.

VerAI is backed by two international Venture Capital funds: Chrysalix Venture Capital, which incorporates strategic investors such as Teck Resources, South32, Caterpillar and Shell and specializes in mining transformation innovation; and Blumberg Capital, experienced in applying Artificial Intelligence solutions to the disruption of various traditional industries.

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, wholly owned, 62,000-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 is actively progressing four of its projects, including completed and planned drill tests, and has two additional projects optioned to Austral Gold Ltd. ("Austral"), with Austral already drill testing its first target on Pampa Metals' ground. The Company has a vision to create value for shareholders and all other stakeholders by making a major copper or gold discovery along the prime mineral belts of Chile, using the best geological and technological methods. The Agreement with VerAI gives Pampa Metals access to a further 18,700 hectares of highly prospective terrain in the core of the highly productive mineral belts of northern Chile.

For more information, please visit Pampa Metals' website www.pampametals.com.

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 Pampa Metals' and VerAI's projects are early-stage exploration projects and reference to existing mines and deposits, or mineralization hosted on adjacent or nearby properties, is not necessarily indicative of any mineralization on Pampa Metals' or VerAI's properties.

ON BEHALF OF THE BOARD

Paul Gill | President & CEO

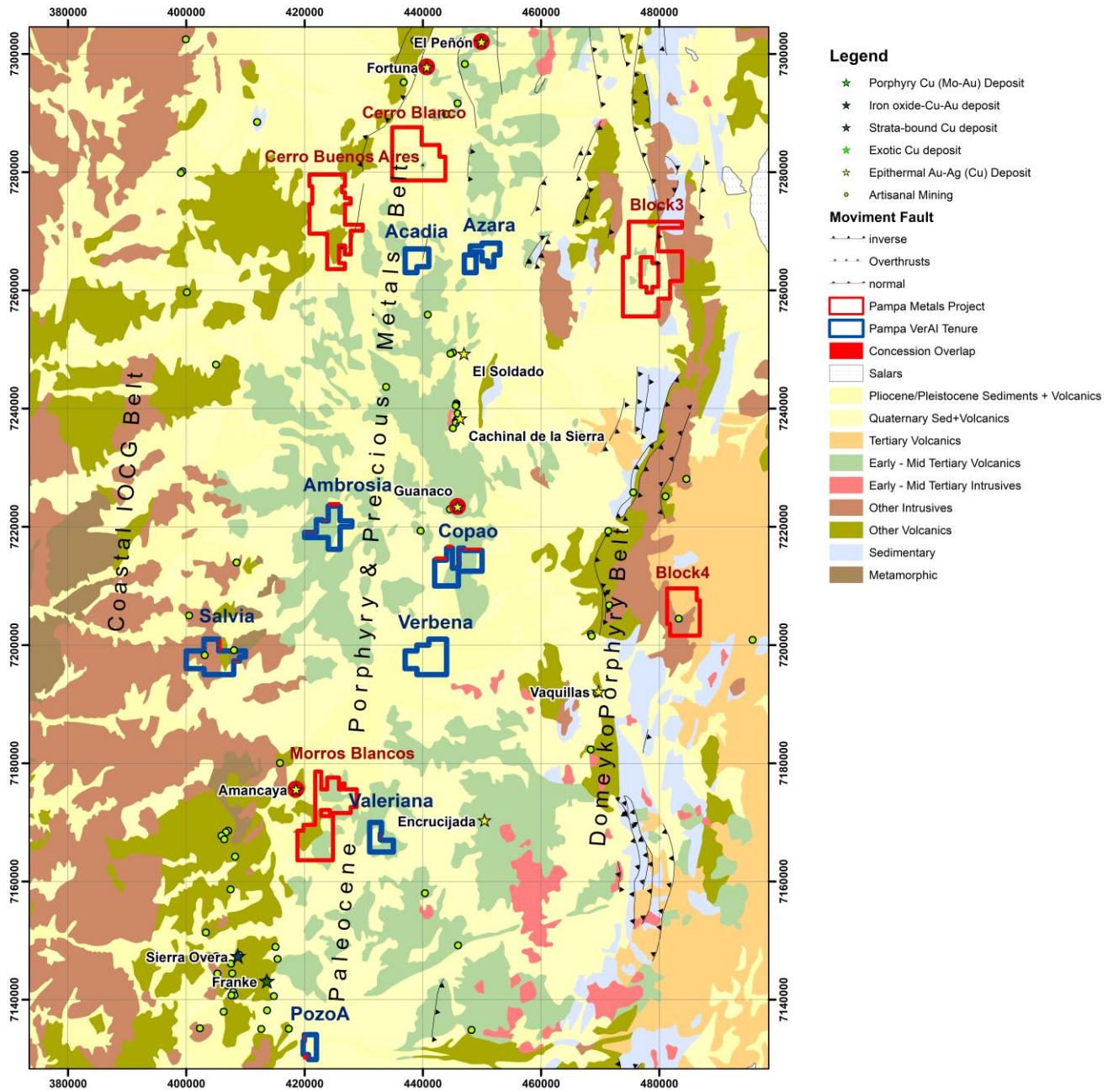
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FORWARD-LOOKING STATEMENTS

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.



Simplified Geology Map Showing VerAI Property Blocks (blue)

In Relation to Pampa Metals' Existing Properties (red) Within the Map Area