

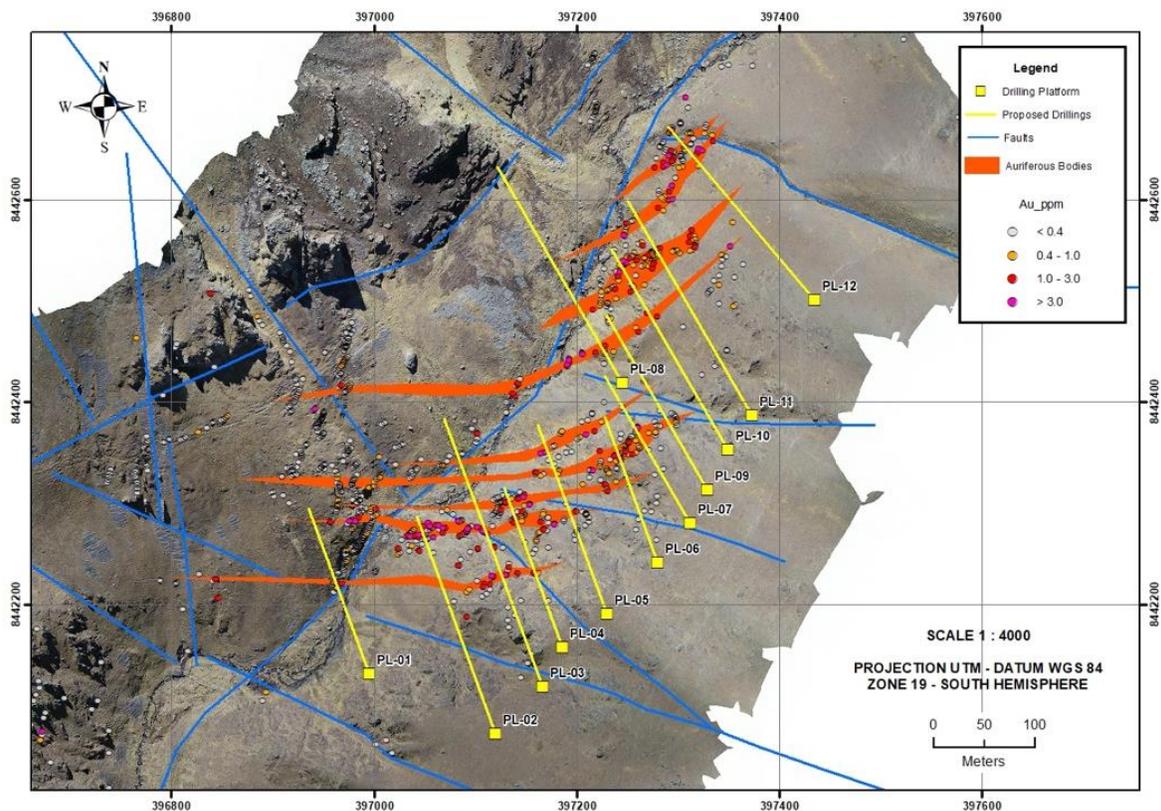


## PALAMINA CONTRACTS ENERGOLD TO DRILL AT THE USICAYOS GOLD PROJECT

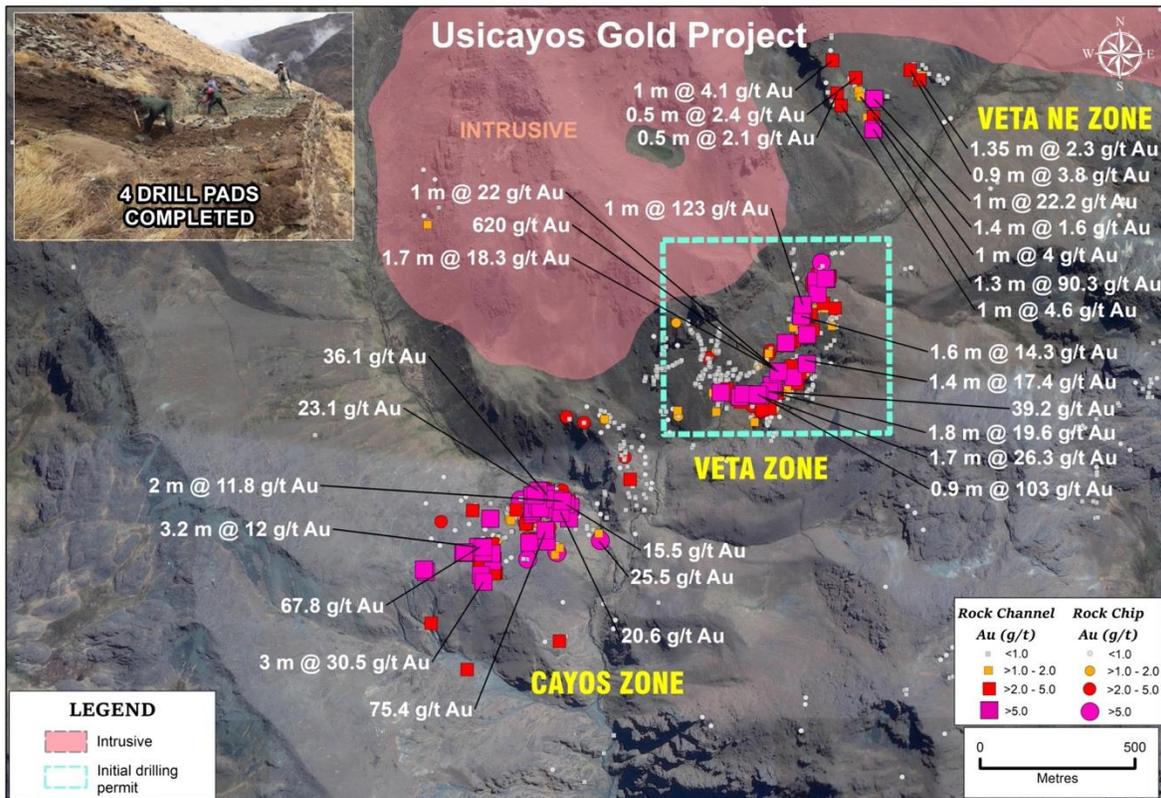
FOR IMMEDIATE RELEASE  
Toronto – July 12, 2021

**Palamina Corp.** (PA: TSX.V) has signed a contract with Energold drilling Peru S.A.C. to carry out a diamond drill program at its flagship Usicayos Gold Project. Drilling is expected to commence in late July. No drill holes have ever been completed at Usicayos.

The drill program at Usicayos will consist of 2,600 metres of drilling with the objective of testing multiple mineralized gold structures defined at surface in the Veta Zone. To date surface sampling has defined an 800 m by 200 m area with values from chip sampling returning values up to 620 g/t Au and channel sampling up to 123 g/t over 1m. Drill holes will test to a maximum vertical depth of 400 metres.



Andrew Thomson, President of Palamina stated “Energold has been contracted to mobilize a diamond drill to our flagship Usicayos Gold Project to test multiple mineralized gold structures in the Veta Zone. Gold mineralization in the Veta Zone can be traced over an 800 m strike length. Palamina intends to drill 12 holes totaling 2,600 metres in this first program then subsequently test the Cayos and Veta NE Zones. Drilling is expected to commence in the second half of July.”



At Usicayos geological mapping, surface and channel sampling has resulted in the discovery of a 2.4 km by 500 m anomalous gold trend made up of the Veta, Cayos & Veta NE Zones. These zones are located on the southwest flank of a later intrusion into the Ananea formation. Four sites with visible gold hosted in shale horizons have now been discovered by prospecting where no historic mining has taken place. Selective sampling has returned up to 620 g/t Au (19.9 oz/t Au) gold in the Veta Zone from an outcropping quartz vein; continuous channel sampling has returned up to 30.5 g/t Au over 3 m in the Cayos Zone; and continuous channel sampling has returned up to 90.3 g/t Au over 1.3 m in the Veta NE Zone. These results, along with heliborne geophysical survey work and a comprehensive structural study completed have played an important role in defining the Veta, Cayos & Veta NE Zones as priority drill targets.

## Technical Information

Palamina drill core samples will be collected and logged in the field by Palamina staff and subsequently transported to Palamina's base of operations in Juliaca for cutting. One half of sawn core from sample intervals will be collected and transported by Palamina personnel to the Certimin S.A laboratory in Juliaca, Peru. Samples are processed by Certimin S.A in Juliaca and prepared sample splits are transported for assay to the CERTIMIN SA Laboratory in Lima, Peru. Samples are assayed for gold using a 50-gram fire assay charge with an AA finish. Samples are also analysed using a multi-element ICP-OES package. Prior to delivery of field exploration samples to the laboratory, Palamina staff insert coarse blank samples, field duplicates and certified gold analytical standards into the sample stream to provide controls over the quality of sampling and analytical procedures. No standards are inserted for the multi-element suite. All samples are returned to the Company and stored at a secure facility in Juliaca.

This press release was compiled and reviewed by Mr. William McGuinty, P. Geo., Palamina's VP Exploration. He is a Qualified Person as defined by National Instrument 43-101 and has supervised the preparation of the technical contents of this press release.

**About Palamina Corp.**

Palamina has first mover advantage on 4 district scale gold projects in south eastern Peru in the Puno Orogenic Gold Belt (POGB). Palamina is set to drill its flagship Usicayos Gold Project. The Company also has rights to a silver-copper project in the Santa Lucia district and two copper-gold projects in Southern Peru. Palamina holds an 18.6% equity interest in Winshear Gold Corp. who are advancing the Gaban Gold Project to the drill discovery phase. Palamina has 65,284,836 shares outstanding and trades on the TSX Venture Exchange under the symbol PA.

**FOR FURTHER INFORMATION PLEASE CONTACT:**

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*This news release contains certain “forward-looking statements” within the meaning of such statements under applicable securities law. Forward-looking statements are frequently characterized by words such as “plan”, “continue”, “expect”, “project”, “intend”, “believe”, “anticipate”, “estimate”, “may”, “will”, “potential”, “proposed” and other similar words, or statements that certain events or conditions “may” or “will” occur. These statements are only predictions. Various assumptions were used in drawing the conclusions or making the projections contained in the forward-looking statements throughout this news release. Forward-looking statements are based on the opinions and estimates of management at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. The Company is under no obligation, and expressly disclaims any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by applicable law. A more complete discussion of the risks and uncertainties facing the Company appears in the Company’s continuous disclosure filings, which are available under the company’s profile at [www.SEDAR.com](http://www.SEDAR.com) and on the Palamina webpage.*

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