

Pampa Metals Reports Positive Assay Results from its Cerro Buenos Aires Drill Program Confirming Zonation Towards a Porphyry System

(CSE: PM) (FSE: FIRA) (OTCQX®: PMMCF)

For Immediate Release

Vancouver – December 7, 2021 – Pampa Metals Corp. (“Pampa Metals” or the “Company”) (CSE: PM / FSE: FIRA / OTCQX®: PMMCF) is pleased to provide an update for its 7,600-hectare Cerro Buenos Aires copper-gold exploration project located in northern Chile, where all assay results from the wide-spaced, 9-hole, 2,738m reverse circulation (“RC”) drilling program completed in September have been received. Drilling was focused on the Cerro Chiquitin target in the northern third of the Cerro Buenos Aires project area. Assay results confirm the interpretation of a porphyry-related hydrothermal system from the previously reported geological observations of the drilling, which were announced in a news release dated September 15, 2021.

“We are very pleased with these positive results,” commented Julian Bavin, CEO of Pampa Metals. “Pampa owns one of the largest prospective property packages in Chile comprising a 62,000-hectare portfolio of eight projects for copper and gold located along proven mineral belts. We look forward to updating shareholders with a solid flow of news as we advance these projects in the coming months.”

Highlights from Cerro Buenos Aires Project 2021 RC Drilling

- All holes drilled around the small Cerro Chiquitin outcrop, in the northern third of the Cerro Buenos Aires project area, have returned a variety of anomalous precious metals and multi-element intersections, indicative of a fertile porphyry-type hydrothermal system in the vicinity.
- Three drill holes closest to the outcropping tourmaline breccia and quartz-veined diorite porphyry at Cerro Chiquitin have the most anomalous geochemistry, with intersections in gold and silver and significant anomalies in copper, molybdenum, zinc, lead, arsenic, and antimony, which suggest the inner periphery of a fertile hydrothermal system, with the target copper-rich core likely at depth.
 - Includes 14m @ 0.18 g/t Au (including 6m @ 0.22 g /t Au – RC hole CBA-08) within a magmatic-hydrothermal breccia with a tourmaline or quartz-tourmaline matrix and pyrite disseminations. This intercept correlates with strongly anomalous values in zinc and arsenic.
- Drill holes to the north have comparatively fewer metallic indications, consistent with their location on the propylitic outer periphery of a fertile system.
- Drill holes to the south are also on the inner periphery of the system, but appear to be transitioning away to propylitic alteration further to the southwest and west.

Geological and geochemical results to date from wide-spaced drilling at Cerro Buenos Aires have clearly vectored towards a fertile porphyry-type hydrothermal system to the south and southeast of the Cerro Chiquitin tourmaline breccia. The 9 holes drilled to date extend over a north-south oriented prospective corridor some 4.5 km x 1 km, largely obscured by 40m to 80m of post-mineral gravel cover, and results have narrowed the target area to a 1

km x 1 km core area of interest. In view of this, additional follow-up work comprising detailed induced polarisation (IP) profiles and deeper diamond drilling is currently being planned for the area.

Results Detail & Interpretation

Drill holes in the immediate vicinity of the partially outcropping Cerro Chiquitín tourmaline breccia (RC holes CBA-01, 07 and 08), as well as those to the south and southwest (RC holes CBA-02 and 06), returned intercepts in gold and silver and significant anomalies in copper (up to 709ppm), molybdenum (up to 169ppm), zinc (up to 650ppm), lead (up to 560ppm), arsenic (up to > 1,000ppm), and antimony (up to > 250ppm), which suggest the inner periphery of a porphyry-related fertile hydrothermal system. Assay results from holes located in post-mineral covered areas to the north (CBA-03, 04, 05 and 09) are consistent with the propylitic exterior to a porphyry system.

A 14m intersection with 0.18 g/t gold (including 6m @ 0.22 g/t Au) in CBA-08 within a magmatic-hydrothermal breccia with a tourmaline or quartz-tourmaline matrix and pyrite disseminations, stands out. This intercept has a good correlation with anomalous values in zinc and arsenic (30m @ 221 ppm Zn and 26m @ 715 ppm As) and possibly corresponds to sub-epithermal porphyry-related mineralization. This, together with other intercepts, is highly indicative of a fertile, porphyry-style, hydrothermal system to the south or southeast of Cerro Chiquitín and those drill holes located in the immediate vicinity. The porphyry system may be cored by copper-gold/gold-copper mineralisation, but also shows evidence of having potential for peripheral precious metals-rich veins.

Next Steps

Pampa Metals is now planning approximately 20 line km of pole-dipole IP surveying in the post-mineral gravel filled pampa to the south and southeast of Cerro Chiquitín, with contractor availability currently in January 2022. Plans also include the drilling of two or three diamond drill holes to depths of around 750m to follow up the results of the proposed IP survey and the drilling to date, in order to explore for the principal objective of a mineralised inter-mineral porphyry.

Quality Control – QA/QC

A total of 1,279 samples from RC drill cuttings together with 141 control samples (11% - value standards, blank standards, duplicates) were analysed by ALS Patagonia by Fire Assay with Atomic Absorption finish (AA23) for gold, and ICP-Mass Spectrometry after a 4-acid digestion (ME-MS61) for multi-element analyses. All samples were previously prepared using the PREP-31B protocol at ALS Patagonia Chile.

Pampa Metals carried out all field sampling at the drill sites following a previously prepared in-house protocol to international standards. Control samples with standards from a known manufacturer, quartz blanks and duplicates of coarse material obtained from the drill cuttings were inserted into sample batches according to the protocol. Samples of the post-mineral gravel overburden were obtained from the top portions of each drill hole, but were not sent for analysis after geological logging. Quality Assurance and Quality Control (“QA/QC”) is routinely carried out by ALS Patagonia using its own internal standards and protocols. Such QA/QC results from the Pampa Metals’ batches were satisfactory. Additionally, a QA/QC assessment was performed in-house using the blind control samples inserted by Pampa Metals and reviewed by Company management. The QA/QC results successfully passed the QA/QC protocols including the certified values of the value standard manufacturers.

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 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 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.

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' 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' properties.

ON BEHALF OF THE BOARD

Julian Bavin | CEO & Director

www.pampametals.com

INVESTOR CONTACT

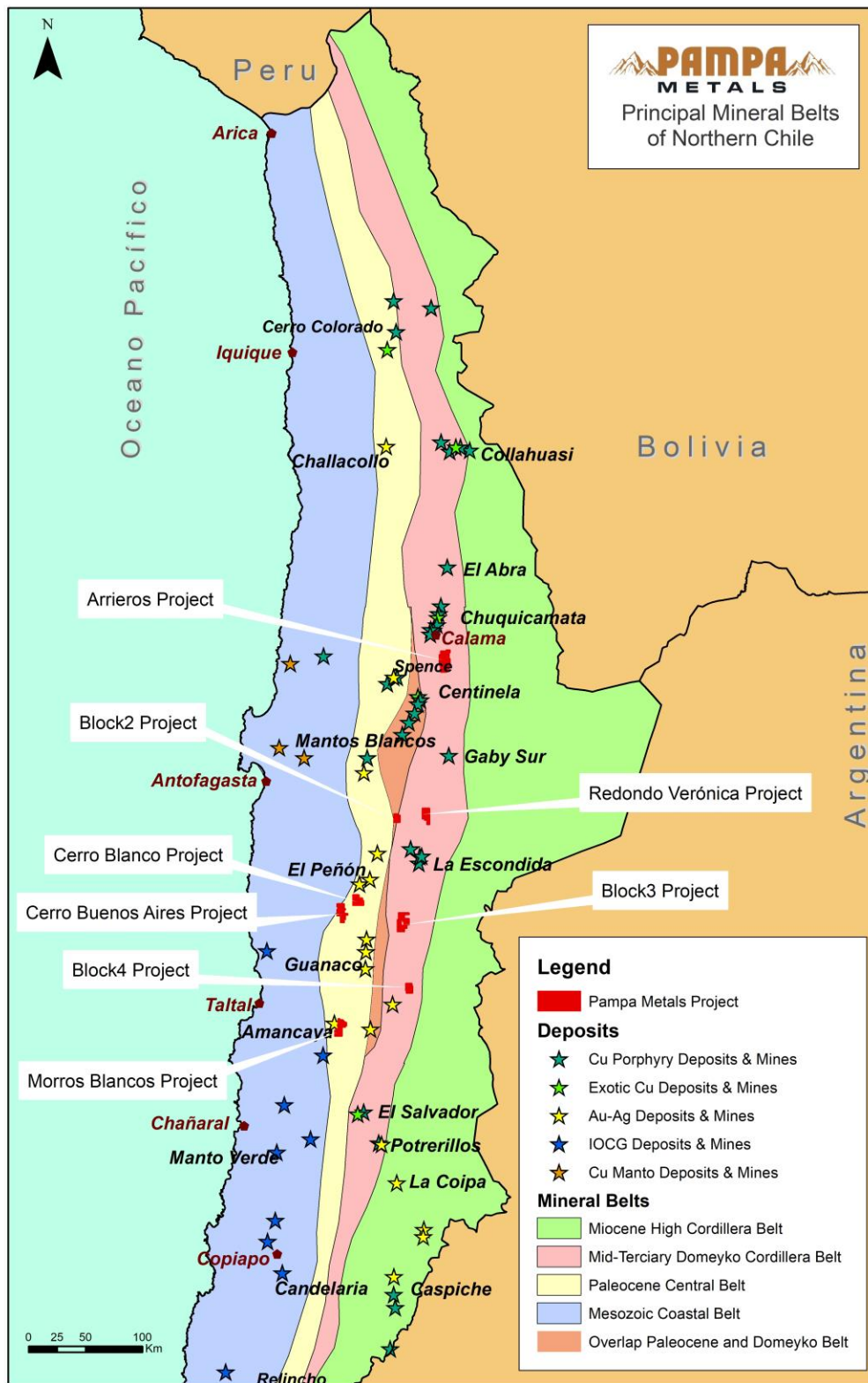
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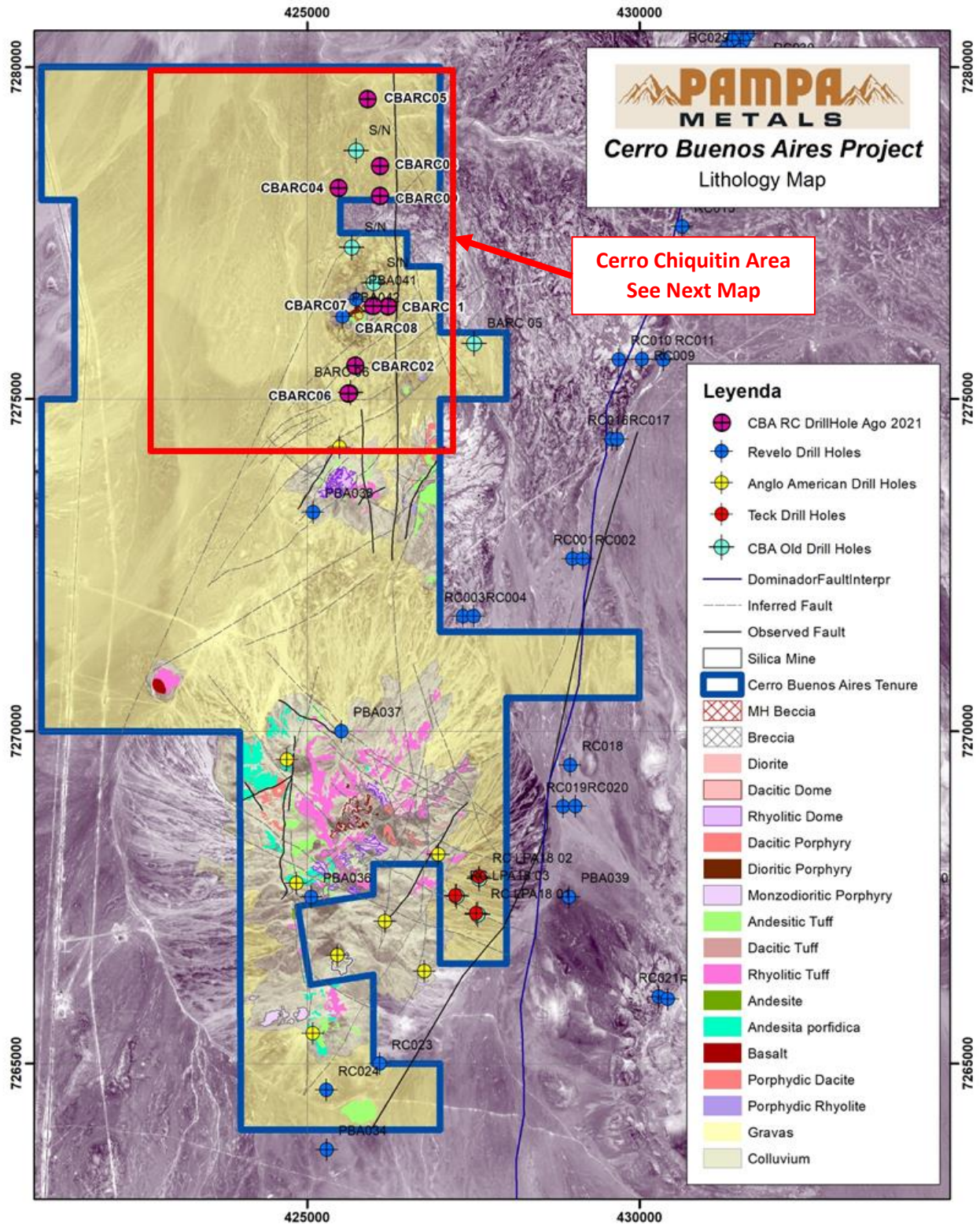
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FORWARD-LOOKING STATEMENTS

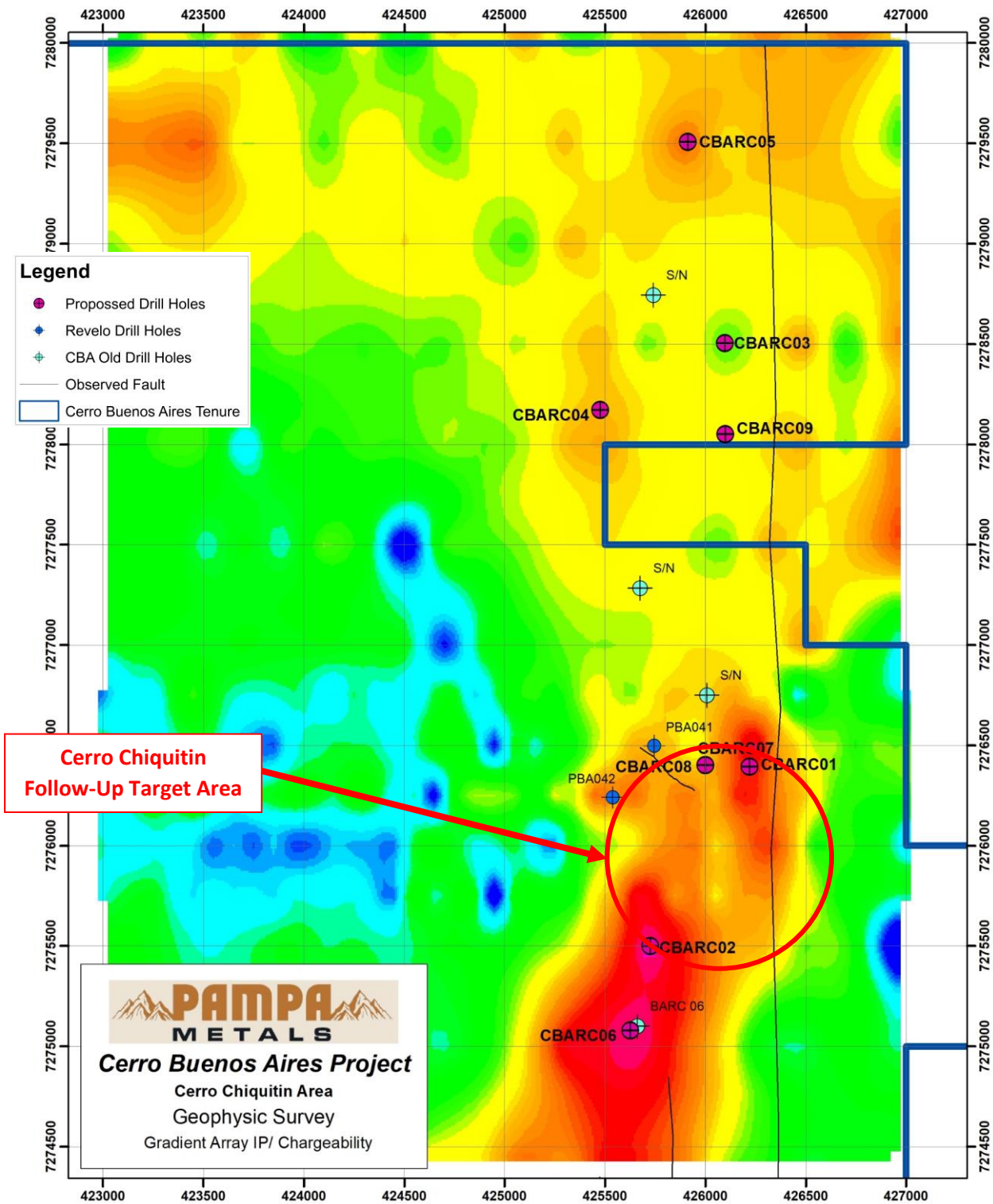
This news release contains certain statements that may be deemed "forward-looking statements". All statements in this release, other than statements of historical fact, that address events or developments that Pampa Metals expects to occur, are forward-looking statements. Forward-looking statements are 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.



Pampa Metals – Project Locations Including Cerro Buenos Aires & Major Mines of Northern Chile

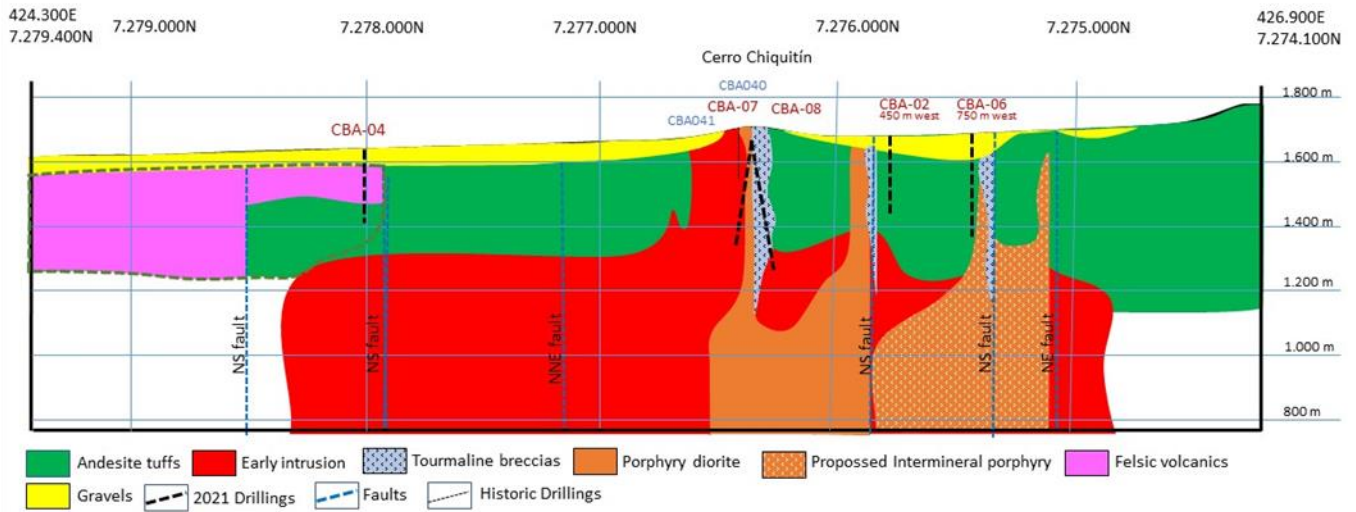


Cerro Buenos Aires Property & Summary Geology – Showing Recent Drill Hole & Historic Drill Hole Locations

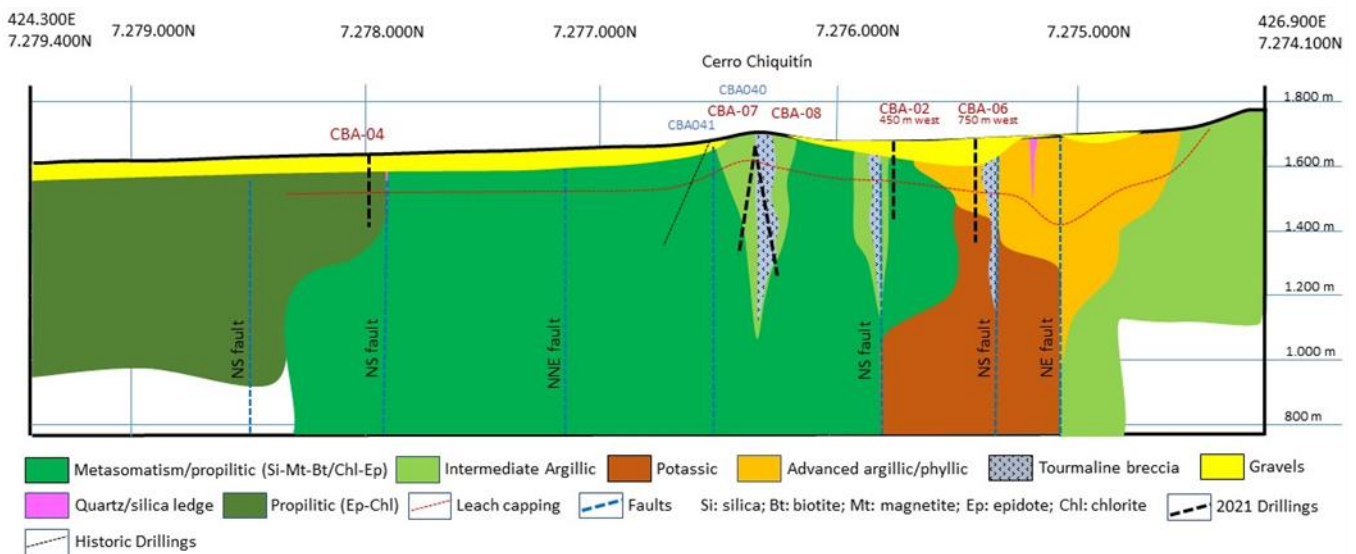


Cerro Chiquitin Area & Gradient Array Chargeability IP
Showing Recent Drill Hole & Historic Drill Hole Locations

Cerro Buenos Aires Project – NNW Interpretative Section
Lithology



Cerro Buenos Aires Project – NNW Interpretative Section
Hydrothermal alteration



Cerro Chiquitín Area – Interpretative Section (Geology & Hydrothermal Alteration) – NNW-SSE

Showing Recent Drill Holes

Showing Proposed Inter-Mineral Porphyry Target