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Exploration Update - Violin Gold-Copper Project Guerrero Belt, Mexico

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Highlights

- Exploration aimed to refine mineralisation model ahead of drilling progressing rapidly.
- Zones of massive sulphides, magnetite and gossan identified.
- Ground magnetic survey commissioned.
- Major intrusive-skarn related mineralisation indicated by extensive, strong gold and copper soil anomalies, and coincident magnetic highs.
- Several multi-million-ounce operating gold mines and development projects with similar mineralisation style hosted within the Guerrero Gold Belt.
- Land access agreements finalised ahead of planned exploration and drilling.

Pacífico Minerals Limited ("Pacífico" or "Company") is pleased to provide an update on exploration at the Violin Gold-Copper Project in the Guerrero Belt, Mexico.

At the Coaxtlahuacan Gold-Copper Prospect (Figure 1), which is the most advanced prospect within the Violin project, geological mapping and sampling is now underway to better understand the local mineralisation controls and support drill targeting. The program to date has identified exposed zones of massive sulphides, magnetite and gossan, which have been sampled and will now be sent to the laboratory for analysis.

Pacífico's geologists have observed that the copper-gold mineralisation at surface occurs as chalcocite and malachite and is associated with stockworks, massive lenses and disseminations of magnetite, or sericite altered quartz felspar porphyry. The distribution and extent of associated strong gold and copper geochemistry is in accordance with the skarn model of intrusive related mineralisation at, and near the contact with limestones, as found elsewhere at the major mines and deposits of the Guerrero Belt.

Further supporting the skarn model, data from a previously completed ground magnetics survey (stations at 12.5m spacing along lines 200m apart) has now been reprocessed and reassessed by geophysics specialist ExploreGeo, based in Perth, which confirms the broad relationship between strong gold and copper geochemistry and magnetic highs (figure 2).



A ground magnetic survey with a continuous reading ground magnetometer (<1m stations) along lines 25m apart has recently been commissioned and will commence shortly. This will increase the precision of drill hole targeting when combined with the geological modelling.

Land access agreements have been finalised with land owners covering the Coaxtlahuacan Prospect, allowing Pacifico to conduct track clearing ahead of planned drilling to test the gold-copper mineralisation.

The current exploration program will also be evaluating the Fortuna and Espinazo zinc, lead, and silver prospects located within the tenement (Figure 1), which appear to be of sedex style mineralisation.

The Company has now established an operations centre just 1.5km south of the Coaxtlahuacan Prospect which will assist the Company in advancing the project.

Further updates will be provided as exploration at the Violin project advances.

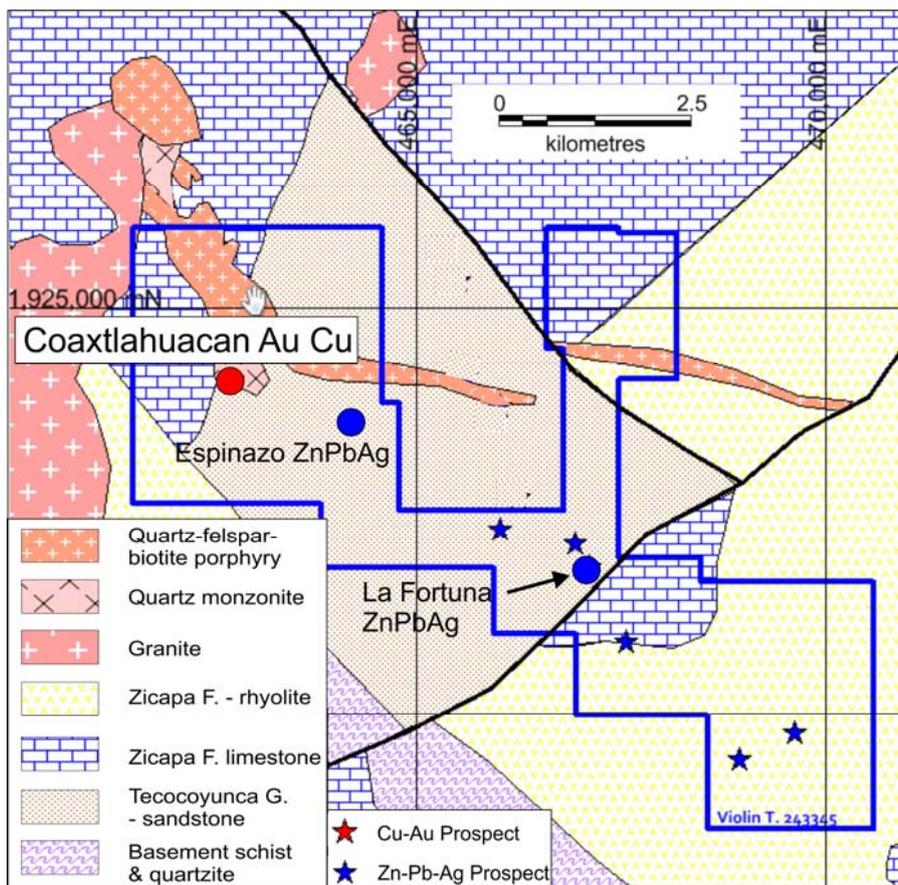


Figure 1: Violin Project tenement area, geology and prospects

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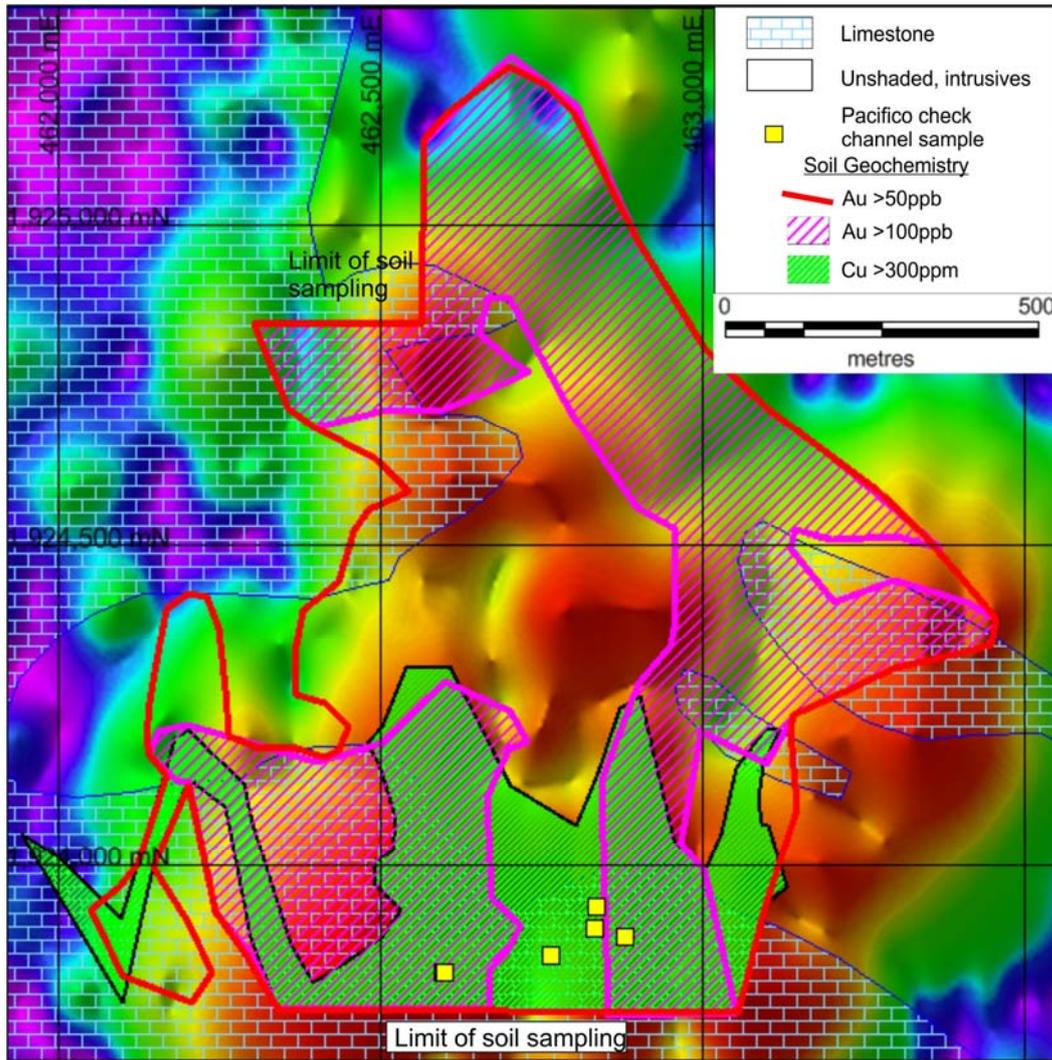


Figure 2: Coaxtlahuacan Prospect – Reprocessed ground magnetics image and soil geochemistry.

For further information or to be added to our electronic mailing list please contact:

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About Violin

Pacifico holds an option to acquire all the issued capital in Minera GS S.A. de C.V. (“Minera GS”), a privately held gold mining that holds 100% of the mineral rights to the Violin Project in Mexico (see ASX announcement 15 March 2018). The Violin Project, about 250km south-west of Mexico City, has outstanding potential for a large and significant gold-copper deposit at the Coaxtlahuacan Prospect and lies in the Guerrero Gold Belt which contains several major gold deposits and mines including Torex Gold’s El Limon-Guajes Mine.

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About Pacifico Minerals Ltd

Pacifico Minerals Ltd (“Pacifico”) (ASX: PMY) is a Western Australian based exploration company with interests Australia, Mexico and Colombia. In Australia the company is focussed on advancing the Borroloola West project in the Northern Territory. The Borroloola West Project covers an outstanding package of ground north-west of the McArthur River Mine (the world’s largest producing zinc – lead mine) with high potential for the discovery of world class base metal deposits. Pacifico also has recently applied for ground prospective for cobalt and other ‘battery metals’ in South Australia. In Mexico Pacifico has recently acquired an option to purchase 100% interest in the Violin project which has high prospectivity for the development of a major gold-copper deposit. In Colombia the company is focussed on advancing its Berrío Gold Project which is situated in the southern part of the prolific Segovia Gold Belt.

Competent Person Statement

The information in this announcement that relates to the Violin Copper-Gold project is based on information compiled by Mr David Pascoe, who is a Member of the Australian Institute of Geoscientists. Mr Pascoe is contracted to Pacifico Minerals Limited. Mr Pascoe has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr Pascoe consents to the inclusion in this announcement of the matters based on information in the form and context in which it appears.

Forward Looking Statements

Certain statements in this document are or maybe “forward-looking statements” and represent Pacifico’s intentions, projections, expectations or beliefs concerning among other things, future exploration activities. The projections, estimates and beliefs contained in such forward-looking statements necessarily involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Pacifico, and which may cause Pacifico’s actual performance in future periods to differ materially from any express or implied estimates or projections. Nothing in this document is a promise or representation as to the future. Statements or assumptions in this document as to future matters may prove to be incorrect and differences may be material. Pacifico does not make any representation or warranty as to the accuracy of such statements or assumptions.

JORC Code, 2012 Edition – Table 1 report

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information. 	<p>Soil samples (Exploraciones La Plata) – B-horizon soil samples collected at line spacing of 100m to 200m and intervals along lines of 25m. Most overburden on the tenement area is residual soil, although in steeper areas some colluvium is present.</p> <ul style="list-style-type: none"> The soil samples were taken to Manzanillo and shipped to Pioneer Laboratories, B.C. Canada. – 80mesh fraction, aqua regia digest, analysed for Ag, Cu, Pb, Zn by ICP/ES. Au by AAS Several types of rock samples – grab, float, dump, chip and channel samples were taken by Exploraciones La Plata and Minera GS. For all types of samples, about 2 kilograms of rock chips were collected in a double-bagged plastic sample bag with a numbered tag and shipped to Pioneer Laboratories, B.C. Canada. – 80mesh fraction, aqua regia digest, analysed for Ag, Cu, Pb, Zn by ICP/ES. Au by AAS. Channel samples (taken by Pacífico) delivered direct to SGS, Mazatlan. Crushed and pulverised to -75 mesh. Multielement analyses by ICP-OES, Au by AAS, Ag by FAS.
Drilling techniques	<ul style="list-style-type: none"> Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). 	<ul style="list-style-type: none"> No drilling carried out or reported
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of 	<ul style="list-style-type: none"> No drilling carried out or reported

Criteria	JORC Code explanation	Commentary
	<i>fine/coarse material.</i>	
Logging	<ul style="list-style-type: none"> • Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. • The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> • No drilling has been reported • Results of channel samples qualitative. Limited in extent by outcrop or sub-outcrop and therefore may not be representative
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> • If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled. 	<ul style="list-style-type: none"> • No drilling reported • Sample sizes taken are correct for the sample type and style of copper/gold mineralisation sampled.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> • The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established. 	<ul style="list-style-type: none"> • Soil samples (Exploraciones La Plata) were analysed by ICP/ES with aqua regia digest (base metals), and AAS (gold) considered to measure total concentrations of all significant copper, other base metals and gold. • Exploraciones La Plata did not use internal quality control samples. • In 2013 Silver Standard completed two orthogonal lines of soil geochemical samples centred at Coaxtlahuacan. They confirmed the general tenor of the results obtained by Exploraciones La Plata. • Rock samples (Exploraciones La Plata) were dried at 60 degrees Celsius. The dried samples are crushed, then split with a riffle splitter. 250 grams of the split sample was pulverized for analysis. One gram of the sample pulp was digested with 50 ml of aqua regia, then diluted to 100 ml

Criteria	JORC Code explanation	Commentary
		<p>with water. Elements in solution are determined by ICP/ES. Gold values for rock samples were measured using AAS.</p> <ul style="list-style-type: none"> No external standards inserted during Pacifico verification sampling. Verified qualitatively with previous sample results, observed copper mineralisation and handheld XRF results (not reported). Although historical results as presented are consistent between samples and with Pacifico verification sampling and are therefore considered to be reliable. However more detailed and systematic check sampling will be completed before committing to a drill program
Verification of sampling and assaying	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data. 	<ul style="list-style-type: none"> No drilling carried out or reported
Location of data points	<ul style="list-style-type: none"> Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> Soil and channel samples located by handheld GPS and accurate to 4 or 5m. WGS 84 grid coordinates.
Data spacing and distribution	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied. 	<ul style="list-style-type: none"> Exploration only, no Mineral Resources
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<ul style="list-style-type: none"> Surface sampling extent and direction is limited by outcrop and sub-crop and may or may not be representative.

Criteria	JORC Code explanation	Commentary
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> All samples stored securely on site before sealed delivery to lab
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> None required at this preliminary exploration stage.

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Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<ul style="list-style-type: none"> Granted concession Violin, title number 243345, 2707.2 ha. 100% owned by Minera GS S.A.de C.V. Surface access through Ejidos Tlacotepec, Mochitlan, Coaxtlahuacan, Rincon de Tlapacholapa, Tlapacholapa, Mexcaltepec, Astatepec and Jalapa No known impediments to exploration
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> Previous exploration by Exploraciones La Plata, 2005 to 2008. Evaluation work by Silver Standard Resources Inc in 2013
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> The Violin Project is considered prospective for intrusive related skarn copper-gold mineralisation, and sediment hosted zinc-lead-silver mineralisation
Drill hole Information	<ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length. If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	<ul style="list-style-type: none"> No drilling has been carried out or reported
Data aggregation methods	<ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> No drilling carried out or reported

Criteria	JORC Code explanation	Commentary
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> • These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known'). 	<ul style="list-style-type: none"> • No drilling carried out or reported
Diagrams	<ul style="list-style-type: none"> • Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. 	<ul style="list-style-type: none"> • Maps provided (figure 1 & 2)
Balanced reporting	<ul style="list-style-type: none"> • Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	<ul style="list-style-type: none"> • Results as reported may not be representative
Other substantive exploration data	<ul style="list-style-type: none"> • Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. 	<ul style="list-style-type: none"> • Results of ground magnetics survey and IP survey
Further work	<ul style="list-style-type: none"> • The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling). • Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	<ul style="list-style-type: none"> • Geological mapping • Geochemical soil sampling for extensions. • Detailed ground magnetometer survey over Coaxtlahuacan • Diamond drilling