

10 December 2019

PHASE III DRILLING COMPLETED AT SORBY HILLS

Pacifico Minerals Limited (ASX: PMY) ('Pacifico' or the 'Company') is pleased to provide an update on the Phase III expansion and exploration drilling campaign ('Phase III') at its 75% owned Sorby Hills Lead-Silver-Zinc Project ('Sorby Hills' or the 'Project') located 50 km northeast of Kununurra in Western Australia.

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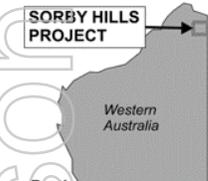
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HIGHLIGHTS

- Phase III, consisting of 49 reverse circulation ('RC') drill holes for 3,265 m, has now been completed.
- A total of 526 one metre intervals have been submitted to the laboratory with results anticipated in January 2020.
- Rock chip logging suggests that the new results will support the geological model, with pXRF field data indicating that extensions to the southern portion of B Deposit and south east, west and north of Omega Deposit are likely following the return of lab assays.
- Four shallow wildcat holes have all intersected mineralization in the regolith zone.
- Successful hydrogeological site investigation program completed.

INTRODUCTION

Pacifico intends to develop a large near-surface flat-lying lead-silver-zinc deposit located 50 km northeast of Kununurra in Western Australia. The highly successful Phase II drilling program (the 'Program') was conducted from May to July 2019. Following the successful program, an updated Mineral Resource Estimate ('MRE') was completed by consultants CSA Global Pty Ltd. The updated MRE increased the global resource by 20% to 36 Mt at 4.7% Pb equivalent (3.7% Pb, 39 g/t Ag) and 0.5% Zn (ASX announcement 31 October 2019). As a result of the continued drilling success, a Phase III drilling program was conducted from October to November 2019.

PHASE III DRILLING PROGRAM

Phase III commenced in mid-October 2019 with the objective of increasing confidence, increasing Inferred resources while also converting existing Inferred resources to Indicated status, and following up on historic intercepts. The following areas were targeted to achieve these objectives:

- **B Deposit:** extension of northern and southern deposit limits;
- **Omega Deposit:** eastward extension of the southern deposit limit and extension of northern deposit limit;
- **Omega Deposit:** westward and slight eastward extension and infill of the central portion of the deposit;
- **Exploratory extensions to the northwest of currently defined Omega Deposit** limits based on historic intercepts; and
- **Wildcat exploration in the extreme west** of the tenement to follow up on historic drilling results.

All RC drill holes have now been geologically logged and sampled. Logging and pXRF testing of rock chips provided a qualitative guide to mineralisation and indicate that significant intersections have been obtained (Figure 1). A subset of 526 one metre samples were selected from a total of 3,265 m drilled and dispatched for analysis. Assay results are expected in January 2020.

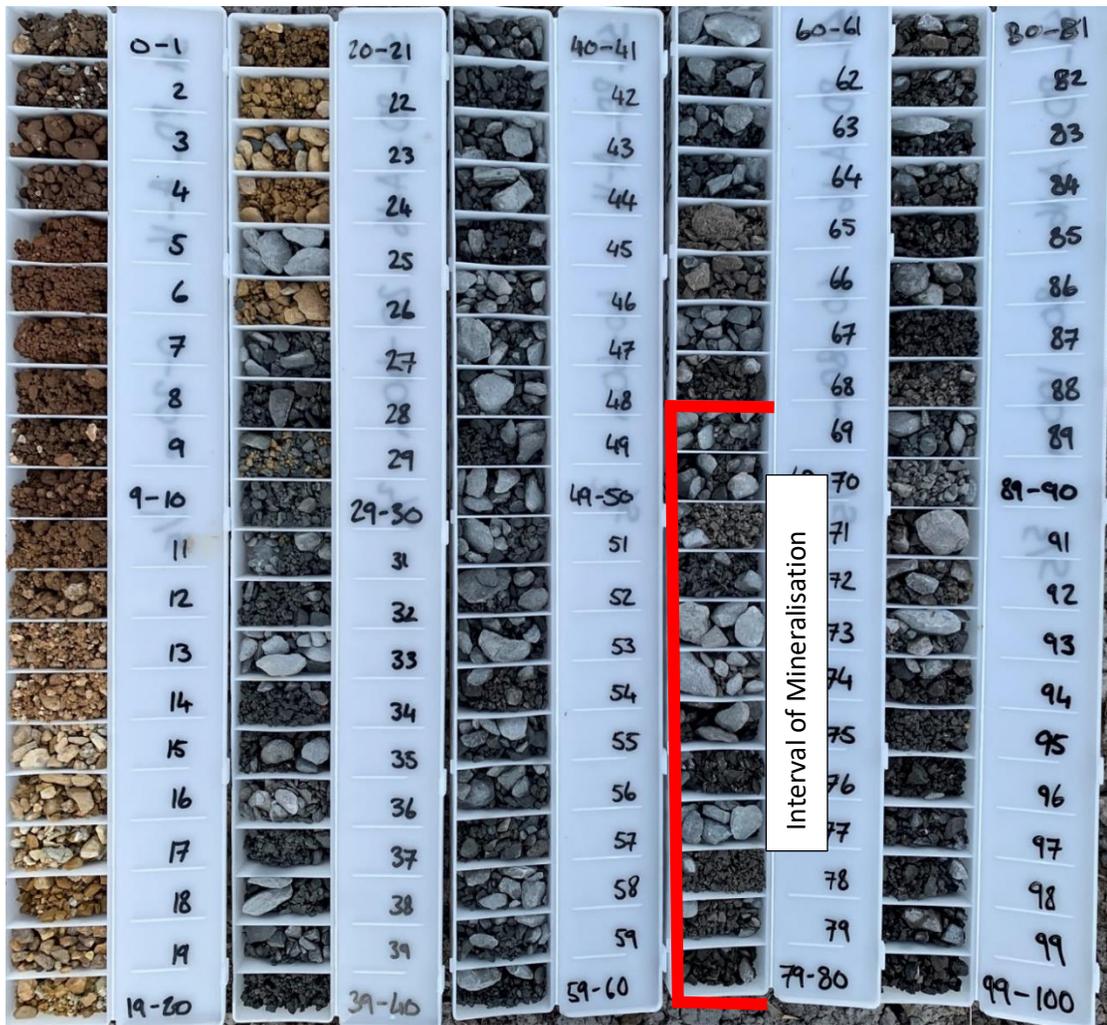


Figure 1. Complete chip trays for RC drill hole SH_PD_A_16 drilled from surface as part of the south-eastern Omega extension targets. Chip trays highlight alluvial clays (0-12 m), supergene alteration zone (12-26 m) and fresh rock from 26 m to the end of hole at 100 m. The highlighted interval (red) from 68-80 represents a mineralised interval hosted in dolomitic grainstones, shaley dolomites and silty dolomites. Chips from 76-77 m contain abundant galena visible as pale silver surfaces (crystals) against the pale grey silty-dolomite host.

Rock chip logging suggests the following target related outcomes (subject to verification by the lab assay data):

- **B Deposit:** Test holes indicate strong and continuous mineralisation at shallow depths (~30-55 m).
- **Omega Deposit southern extension:** overall conformable mineralisation intercepts indicated.
- **Omega Deposit northern extension:** indications of mineralisation of varied thickness and minor zinc associated with the near surface weathering profile. Additional significant intervals of lead at depths of 80-100 m.
- **Omega Deposit westward extension:** highest density of drill holes for Phase III, yielding significant mineralisation indications at shallow depths (~10-20 m) within the weathering profile.
- **Omega Deposit eastward extension and infill:** mineralisation follows the sub-surface contours of strata dipping to the east and is located in north-south trending zones on the eastern flank of the Omega Deposit. The mineralisation is open to the east at increasing depth due to the dip of strata to the east.
- **Wildcat exploration:** four shallow (30 m) exploratory holes drilled to the extreme west in the mineralised horizon intersected mineralisation at shallow depth within the regolith zone and suggests there could be significant mineralisation discovered. This area now represents a first order follow up target for diamond drilling.

Collectively, the field observations are indicative of a successful drilling campaign likely to support further conversion of Indicated and Inferred resources to higher classes of classification and to replace Inferred resources whilst building on the potential of new deposits to be found to the west.

HYDROGEOLOGICAL SITE INVESTIGATION PROGRAM

- A Hydrogeological site investigation program was completed between Oct 31 to Nov 23 by Pennington Scott, which included:
 - Construction of two (2) shallow production wells, eight (8) shallow observation bores through the 30 m deep alluvial deposits around the I deposit, together with one (1) 80 m deep open hole into the Sorby Dolomite (pre-collared through the alluvials). All holes were geophysically logged with natural gamma.
 - Pump testing of two pre-existing holes drilled by AGE (2011), TB1 and TB3. The previous testing of these holes had problems which precluded their interpretation.
 - Pump testing of the new Sorby hole and one new alluvial bore.
 - Installation of two remote telemetry water level loggers to record groundwater response through the wet season.

Pennington Scott has reanalysed the dewatering data from a trial decline dewatering in 1981 using modern advanced numerical modelling, which has shed new light on the hydrogeology of the I deposit area. Although too early to present any hydrogeological results, we are in no doubt that there will be a step improvement in the predictive understanding of local hydrogeology.

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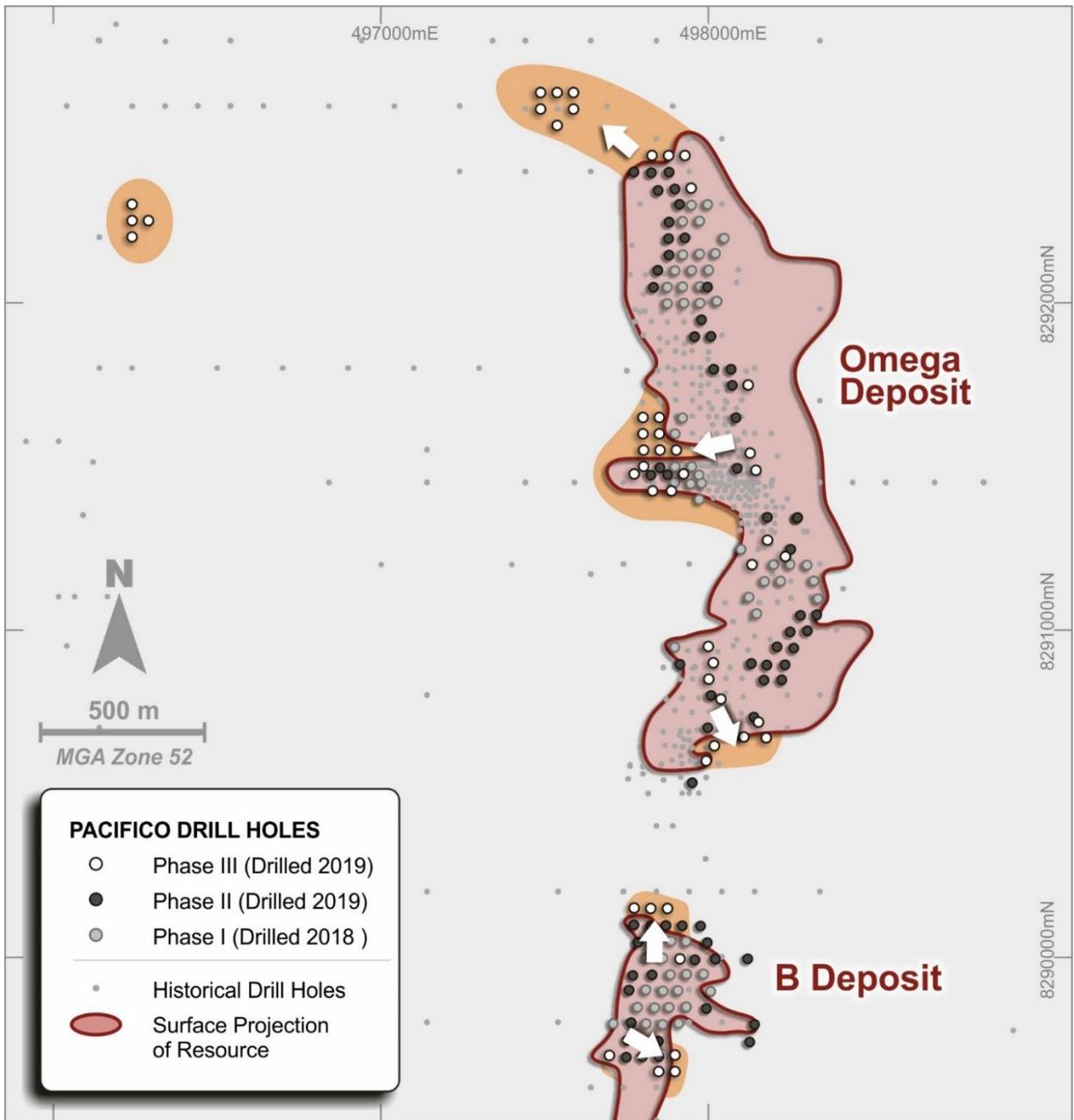


Figure 2. Phase III RC drill holes.

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ABOUT PACIFICO MINERALS LIMITED

Pacifico Minerals Limited ('Pacifico') (ASX: PMY) is a Western Australian based development and exploration company. The company is currently focused on advancing the Sorby Hills Lead-Silver-Zinc Joint Venture project in WA. Pacifico owns a 75% interest in the Joint Venture with the remaining 25% (contributing) interest held by Henan Yuguang Gold & Lead Co. Ltd.

ABOUT HENAN YUGUANG GOLD AND LEAD CO LTD

Henan Yuguang Gold and Lead Co., Ltd was established in 1957 by the government of Jiyuan City which is in Henan Province in North China. In July 2002, HYG (exchange code: 600531) was listed on the Shanghai Stock Exchange (SSX). Current ownership is approximately 29.61% by Jiyuan City. HYG is the largest lead smelting company and silver producer in China and has been among the Top 500 Chinese enterprises and Top 500 China manufacturing enterprises for the last five consecutive years. The main products produced by HYG are electrolytic lead, gold, silver and copper which are all registered at LME and LBMA respectively. In 2017, HYG produced 415,100 tonnes of electrolytic lead, 110,000 tonnes of copper, 958 tonnes of silver, 7,383 kg of gold and achieved sales of about US\$2,684 million. HYG's plants are largely modern, focussed on development of industrial technology and are environmentally friendly. Its recently refurbished lead smelting plant has achieved full automation. More information can be found on the HYG website; <http://www.yggf.com.cn/en/>.

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.

COMPETENT PERSON STATEMENT

The information in this release that relates to Exploration Results is based on information prepared by Dr Simon Dorling. Dr Dorling is a member of the Australasian Institute of Geoscientists (Member Number: 3101). Dr Dorling has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 Edition of the JORC Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Dr Dorling consents to the inclusion in the release of the matters based on their information in the form and context in which it appears.

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