

9 April 2020

QUARTERLY REPORTS – MARCH 2020

CORPORATE

DIRECTORY

Managing Director

Simon Noon

Directors

Gary Comb (Chairman)

Richard Monti

Andrew Parker

Company Secretary

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ASX Code PMY

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Pacifico Minerals Limited (ASX: PMY) ('Pacifico' or the 'Company') is pleased to provide the following activity and cashflow reports for the March 2020 quarter.

HIGHLIGHTS

SORBY HILLS JOINT VENTURE PROJECT

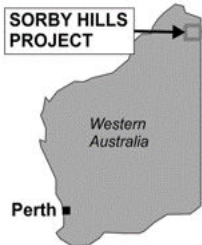
- Results from Phase III drill holes returned robust intersections and have provided extensions to current mineralisation and confirmed the potential for a new shallow deposit.
- Significant shallow drill intercepts from both B Deposit and Omega deposit include:
 - 18.0 m at 5.08% Pb, 36 g/t Ag and 0.2% Zn from 10 m – Omega Deposit;
 - 10.0 m at 7.16% Pb, 383 g/t Ag and 0.43% Zn from 110 m – Omega Deposit;
 - 6.0 m at 9.53% Pb, 55 g/t Ag and 0.32% Zn from 47 m – Omega Deposit;
 - 10.0 m at 4.73% Pb, 34 g/t Ag and 0.46% Zn from 25 m – Omega Deposit; and
 - 9.0 m at 4.26% Pb, 37 g/t Ag and 0.80% Zn from 36 m - B Deposit.
- Targeting of a historic intercept has led to the discovery of a new, large, shallow depth anomaly for future testing.
- Phase III results underpin the continuity of mineralisation in previously low-density drilling areas and are likely to increase Indicated Resources within the next Mineral Resource Estimate.
- Results received from the B Deposit indicate shallow (from 10m) extensions of the Indicated Resource area which remains open to the north and south and is likely to link with A Deposit.
- Optimised Pre-Feasibility Study ('PFS') progressing, with an update planned for April, and completion expected during the June quarter.

CORPORATE

- Consolidated cash balance at quarter end of **A\$3.56M**.
- Mr Gary Comb appointed as Executive Chairman, as previous Non-Executive Chairman, Mr Richard Monti, steps into Non-Executive Director capacity.
- Mr Peter Harold resigned as Non-Executive Director, effective 7 April 2020.
- Mr Simon Noon and Mr Richard Monti purchased Pacifico shares on the open market.
- Eight of the top twelve shareholders increased their stake in the Company during the quarter.
- Half Year Report for 31 December 2019 released.

COVID-19

- Immediate challenges addressed, with staff and consultants working remotely where practical and at full capacity.
- Board continues to assess and implement strategies as the COVID-19 situation evolves.
- Pacifico's Joint Venture Partner, Henan Yuguang, confirms production has been maintained without major interruption and is currently operating at full capacity.



SORBY HILLS JOINT VENTURE PROJECT *Western Australia (Lead, Silver, Zinc)*

The Sorby Hills Joint Venture Project (**'Sorby Hills'** or the **'Project'**) is located approximately 50km northeast of Kununurra. There are existing sealed roads to transport concentrate from site to the facilities at Wyndham Port (150km from the Project). Established infrastructure and permitting allow for fast tracked production.

PHASE III DRILLING PROGRAM RESULTS¹

The Phase III infill and extension drilling program (**'Phase III'**) was carried out from October to November 2019 aiming to increase Indicated Resources by targeting Inferred Resource areas with low drilling density, test the periphery of mineralisation for extensions of the mineralisation and target historic anomalies for their potential to add future mineralisation (ASX Announcement 28 October 2019). The program consisted of 49 reverse circulation (**'RC'**) holes for a total of 3,265 m and was focused on shallow mineralisation above 100 m depth, that may be mineable by open pit, at B and Omega deposits.

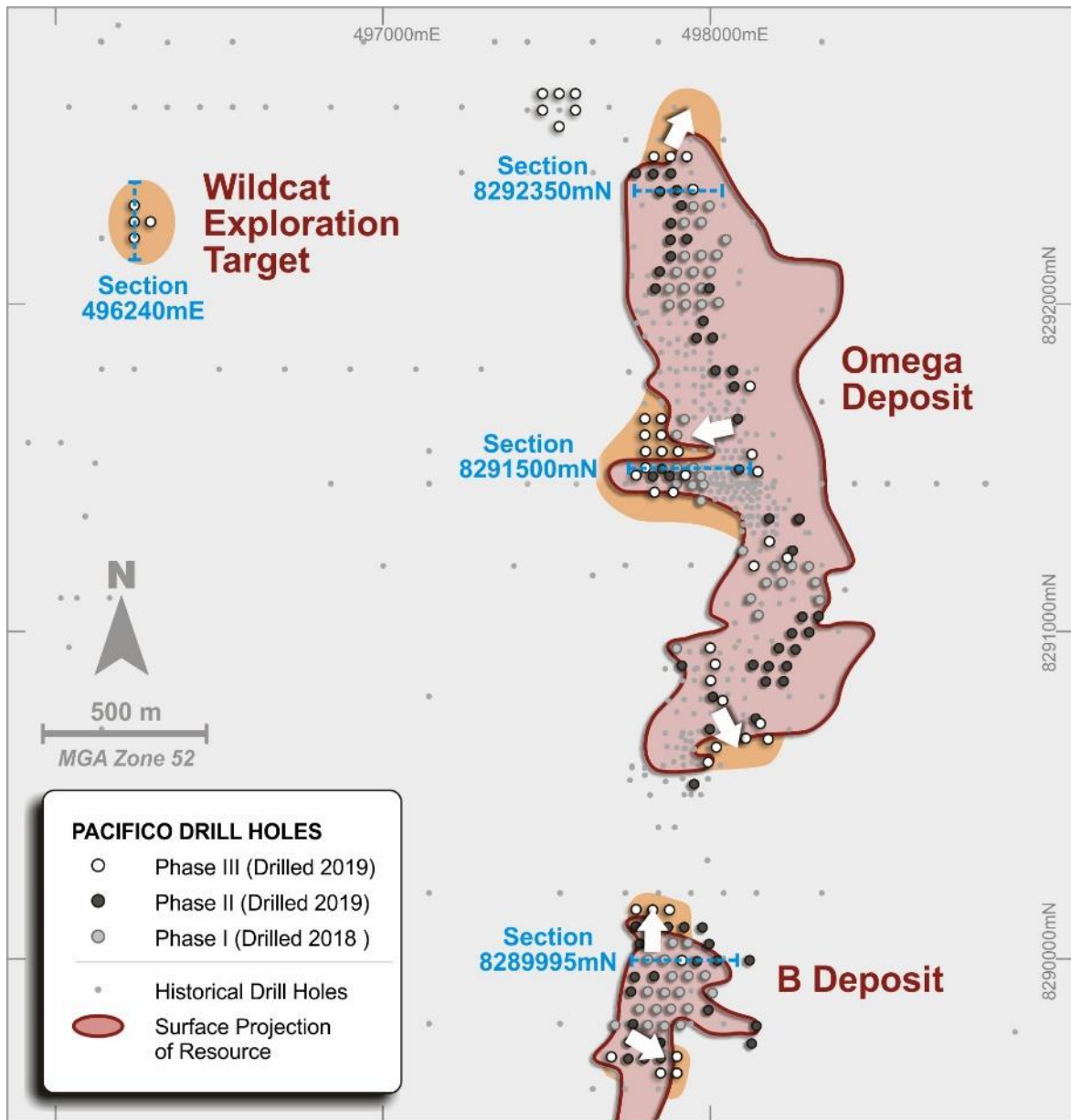


Figure 1: Layout of the Sorby Hills deposits and location of drill holes and cross sections.

OMEGA DEPOSIT

Logging and analysis results from Phase III returned intersections which supported the estimated grades and targeted mineralisation geometry at the Omega deposit and further confirmed the geological continuity of the mineralisation. Strong intercepts were returned from the peripheries of the mineralisation at shallow depth and down dip and justify further step-out drilling. The intercept in SH_PD_A-31 intersected high-grade mineralisation including one of the highest silver grades recorded at Sorby Hills with 383 g/t Ag over 10 m. This area is now a high priority for further testing. Results include:

- **18.0 m at 5.08% Pb**, 36 g/t Ag and 0.2% Zn from 10 m – OMEGA drill hole SH_PD_A-18;
- **10.0 m at 7.16% Pb**, 383 g/t Ag and 0.43% Zn from 110 m – OMEGA drill hole SH_PD_A-31; and
- **6.0 m at 9.53% Pb**, 55g/t Ag and 0.32% Zn from 47 m – OMEGA drill hole SH_PD_A-15.

B DEPOSIT

As a result of Phase III drilling, the B Deposit is now considered one contiguous, low angle dipping mineralised horizon. The deposit is particularly shallow with only 9 m of cover to the top of the mineralised horizon, and most of it lies above 40 m depth. The mineralisation strikes in a north-northeast direction and remains open to the south and north as a result of the recent drilling. It is also possible the B Deposit links up with the Omega Deposit to the north. Results include:

- **16.0 m at 2.77% Pb, 23 g/t Ag** and 0.53% Zn (**inc. 9 m @ 4.26% Pb and 37 g/t Ag and 0.80% Zn**) from 36 m - B Deposit drill hole SH_PD_A-05; and
- **12.0 m at 2.83% Pb**, 13 g/t Ag and 0.35% Zn from 19 m – B Deposit drill hole SH_PD_A-06.

WILDCAT EXPLORATION TARGET

A review of the historic database showed that there are several isolated mineralisation intercepts that have not been followed up which hold promise for future discovery of mineralities. Pacifco included one such target for testing in Phase III (ASX Announcement 28 October 2019). The first hole the Company drilled was aimed at confirming the historic intercept followed by a small number of step-out drill holes. Both steps were successful in that the historic intercept was confirmed and the step-out drilling indicates continuity of mineralisation over an area of 130 m by 70 m. Results include:

- **16.0 m at 2.68% Pb**, 12 g/t Ag and 0.28% Zn from 4 m, **inc. 5.0 m at 5.50% Pb** and 24 g/t Ag from 5 m– Exploration Target drill hole SH_PD_A-32; and
- **18.0 m at 1.66% Pb**, 12 g/t Ag and 0.37% Zn from 5 m, **inc. 7.0 m at 2.3% Pb** and 16 g/t from 6 m– Exploration Target drill hole SH_PD_A-35.

OUTLOOK AND FUTURE EXPLORATION

The Company's last three drilling campaigns have demonstrated that a step-change in the value unlocking of the Project is reached through a careful and detailed review of the technical information and subsequent infill drilling. At present there are three additional historic mineralisation lenses (excluding those that are at a very early stage) that require detailed assessment, re-interpretation and follow-up work programs. While the Company is focusing on delivering the PFS in the coming months, the technical team will prepare for the next series of drilling campaigns to increase the mineral inventory.

¹ ASX Announcement 30 January 2020.

OPTIMISED PRE-FEASIBILITY STUDY PROGRESS

Significant progress has been made with the PFS, with key milestones expected to be reached in the coming weeks. The Company anticipates providing a progress update to the market this month.

NON-CORE ASSETS

Exploration work on our non-core assets remains on hold to allow the Company to focus on the development of the Sorby Hills Project.

CORPORATE

The consolidated cash balance as at 31 March 2020 was approximately **A\$3.56M**.

During the quarter, Pacifco appointed Mr Gary Comb in the capacity of Executive Chairman. Non-Executive Chairman, Mr Richard Monti, stepped down from his role and remains on the Board as a Non-Executive Director. Mr Comb is a well-respected and experienced mining executive, bringing to the Company a wealth of experience in project funding, development and operations. Mr Comb will receive a salary of \$100,000 per annum exclusive of statutory superannuation and, at the Board's discretion, up to 50% of this may be paid in Company shares (ASX Announcement 9 March 2020).

Non-Executive Director, Mr Peter Harold, resigned from his position during the period, effective 7 April 2020. The move comes as Mr Harold, recently appointed as Managing Director at Poseidon Nickel, reduces directorships at other listed companies (ASX Announcement 20 March 2020).

Mr Simon Noon (Managing Director) and Mr Richard Monti (Non-Executive Director) purchased shares in the Company during the period. (ASX: PMY 25 February 2020 and 20 March 2020).

Related, eight of the top twelve shareholders increased their stake in the Company during the quarter. The Board are pleased to note this and believes that it demonstrates support and belief in both the Sorby Hills Joint Venture Project, and the Company as a whole.

The consolidated interim financial report for the half year ended 31 December 2019 was released under ASX Announcement 13 March 2020.

COVID-19

Having assessed the potential impacts of COVID-19, the Board is comfortable, with consultants and staff able to work remotely, that the Company's current activities can continue uninterrupted. The situation is, however, dynamic and the Company will continue to monitor developments.

The Company's key focus in the short term is to complete the Optimised Pre-Feasibility Study on the Sorby Hills Joint Venture Project. As the COVID-19 situation evolves and knock-on effects become clearer, the Board will assess and implement strategies.

Pacifco's Joint Venture Partner, Henan Yuguang has confirmed production at the company's smelting facilities has been maintained without major interruption and is currently operating at full capacity.

The Board of Directors of Pacifico Minerals Limited have authorised this announcement for release to the market.

FOR FURTHER INFORMATION PLEASE CONTACT:

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ABOUT PACIFICO MINERALS LIMITED

Pacifico Minerals Ltd ('**Pacifico**') (ASX: PMY) is a Western Australian based exploration company with interests Australia and Colombia. In Australia, 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 signature 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 predominantly modern; HYG continue to develop industrial technology that is 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 may be, '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.

APPENDIX 1

INTERESTS IN TENEMENTS

Farm-In Agreements/Projects/Tenements	Location	Held at End of Quarter
Sorby Hills Project		
M80/196	WA, Australia	75%
M80/197		75%
M80/285		75%
M80/286		75%
M80/287		75%
South Australian Project	SA, Australia	
EL6168		100%
EL6169		100%
Borroloola West Project	NT, Australia	
EL31354		100%
EL26938		51%
EL26939		51%
EL28508		51%
EL28658		51%
EL30157		51%
EL30305		51%
MLN624		51%
Mount Jukes Project	TAS, Australia	
EL51/2008		13.74%
EL12/2009		13.74%
Berrio Project	Colombia	
6822		100%
IDI-16112X		8.6%
IDI-16113X		8.6%
HINN-02		8.6%
JG1-09552		8.6%
T1935005		8.6%
IHF-08012		7.5%
T1928005		5.7%
Urrao Project	Colombia	
2791		100%

There were no acquisitions or disposals during the quarter.

Appendix 5B

Mining Exploration Entity or Oil and Gas Exploration Entity Quarterly Cash flow report

Name of entity	
PACIFICO MINERALS LIMITED	
ABN	Quarter ended ("current quarter")
43 107 159 713	March 2020

Consolidated statement of cash flows		Current quarter	Year to date (9 months)
		\$A'000	\$A'000
1	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation (if expensed)	(120)	(1,827)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(102)	(321)
	(e) administration and corporate costs	(78)	(395)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	11	32
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (Recharge of staff costs and other administration costs to the Sorby JV)	22	(186)
1.9	Net cash from / (used in) operating activities	(267)	(2,697)
2	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation (if capitalised)	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	-

3	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	4,600
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(304)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.1	Net cash from / (used in) financing activities	-	4,296

4	Net increase / (decrease) in cash and cash equivalents for the Period		
4.1	Cash and cash equivalents at beginning of period	3,831	1,964
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(267)	(2,697)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	4,296
4.5	Effect of movement in exchange rates on cash held	1	2
4.6	Cash and cash equivalents at end of period	3,565	3,565

5	Reconciliation of cash and cash equivalents	Current quarter	Previous quarter
	at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	\$A'000	\$A'000
5.1	Bank balances	3,504	3,794
5.2	Call deposits	61	37
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	3,565	3,831

6	Payments to related parties of the entity and their associates	Current quarter	
		\$A'000	
6.1	Aggregate amount of payments to related parties and their associates included in item 1	56 *	
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-	
Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments			
*(Salaries and Director fees paid on normal commercial terms.)			

7	Financing facilities	Total facility amount at quarter end	Amount drawn at quarter end
	<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>	\$A'000	\$A'000
	<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
	7.1	Loan facilities	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-

7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (Item 1.9)	(267)
8.2	Capitalised exploration & evaluation (Item 2.1(d))	-
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	(267)*
*8.4	Cash and cash equivalents at quarter end (Item 4.6)	3,565
8.5	Unused finance facilities available at quarter end (Item 7.5)	-
8.6	Total available funding (Item 8.4 + Item 8.5)	3,565
8.7	Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	13.35
8.8	If Item 8.7 is less than 2 quarters, please provide answers to the following questions:	
	1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: N/A	
	2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: N/A	
	3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer: N/A	

Note * The Expenditure for the March 2020 quarter was lower due to reduced work on the Sorby Project given the wet season in the Kimberley region and Joint Venture funds being received from Pacifco's Joint Venture partner which offset costs for the period.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here:

Date: 9 April 2020

Jerry Monzu (Company Secretary)

Authorised for release by the Board of Directors of Pacifco Minerals Limited

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: “By the board”. If it has been authorised for release to the market by a committee of your board of directors, you can insert here: “By the [name of board committee – e.g. Audit and Risk Committee]”. If it has been authorised for release to the market by a disclosure committee, you can insert here: “By the Disclosure Committee”.
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council’s *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.