



25 January 2017

Quarterly Activities Report – December 2016

ASX Code: PMY

ABN 43 107 159 713

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Pacifico Minerals Limited (“Pacifico” or “Company”) is pleased to provide its activities report for the December 2016 quarter.

Highlights

AUSTRALIA

Borrooloola West Project - Copper/Zinc/Lead/Silver/Manganese

- Reverse circulation “RC” drill program comprising 17 holes for 2477m was completed, which tested prospects at Coppermine Creek, Mariner, Four Mile, Johnstons and Berjaya.
- At Coppermine Creek, 23m of 0.7% Cu, including 10m of 1.3% Cu, was intersected in CCR08, in a zone of quartz-dolomite veining spatially associated with a stratabound ex-evaporite horizon, which could indicate the presence of a large copper (with cobalt and silver) mineralised system.
- At Mariner, oxidised lead mineralisation was obtained in three out of four holes at the base of the younger Roper Group sediments, with a best intersection of 21m @ 1.0% Pb, indicating possible close-by hydromorphic dispersion from significant zinc-lead mineralisation in the underlying McArthur Group sediments.
- Carbonaceous pyritic shales and siltstones of the Barney Creek Formation were intersected in seven RC holes at Four Mile and Berjaya. Further geochemical analyses to be carried out may indicate the vicinity of, or vectors to, zinc rich sediment hosted massive sulphide mineralisation.

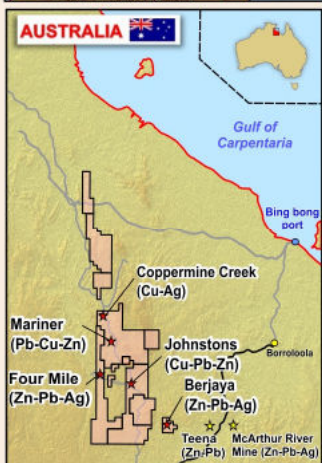
COLOMBIA

Berrio Project – Gold

- Commencement of exploration at high priority targets within the Berrio gold Project, Antioquia, Colombia in November 2016.
- Based on the results generated from the exploration program, a diamond drill program will be considered in early 2017.

CORPORATE & FUNDING

Consolidated cash balance at 31 December 2016 was approximately \$0.75 million.



Australia

Borroloola West Project, Northern Territory – Copper/Zinc/Lead/Silver/Manganese – PMY 51%

The Borroloola West Project is a Joint Venture with Sandfire Resources NL (ASX: SFR) with Pacifco holding 51% and operating the Joint Venture and Sandfire retaining 49%. The Borroloola West Joint Venture (“BWJV”) consists of 12 exploration licences and one mining licence (1,817 km²), north-west of the McArthur River Mine (one of the world’s largest producing zinc – lead mines). The geological setting and the proximity to McArthur River support the Company’s view that there is potential for the discovery of world class base metal deposits within the BWJV ground holding.

On 17 October 2016, the Company announced that it had completed 14 reverse circulation (“RC”) drill holes for 1,967m on the Four Mile, Coppermine Creek, Johnstons and Mariner prospects within the BWJV.

Heritage clearances were obtained for Pacifco’s Berjaya tenement after drilling had commenced and three holes (450m) were added to the RC program to test the Barney Creek Formation. The Berjaya tenement area lies 24km west and along strike from the world class McArthur River zinc-lead mine and 16km west of Rox Resources’ Teena zinc-lead deposit (figure 1).

All holes drilled reached target depths with copper, lead and zinc mineralisation intersected in several holes. See appendix 2 for details of all drill holes.

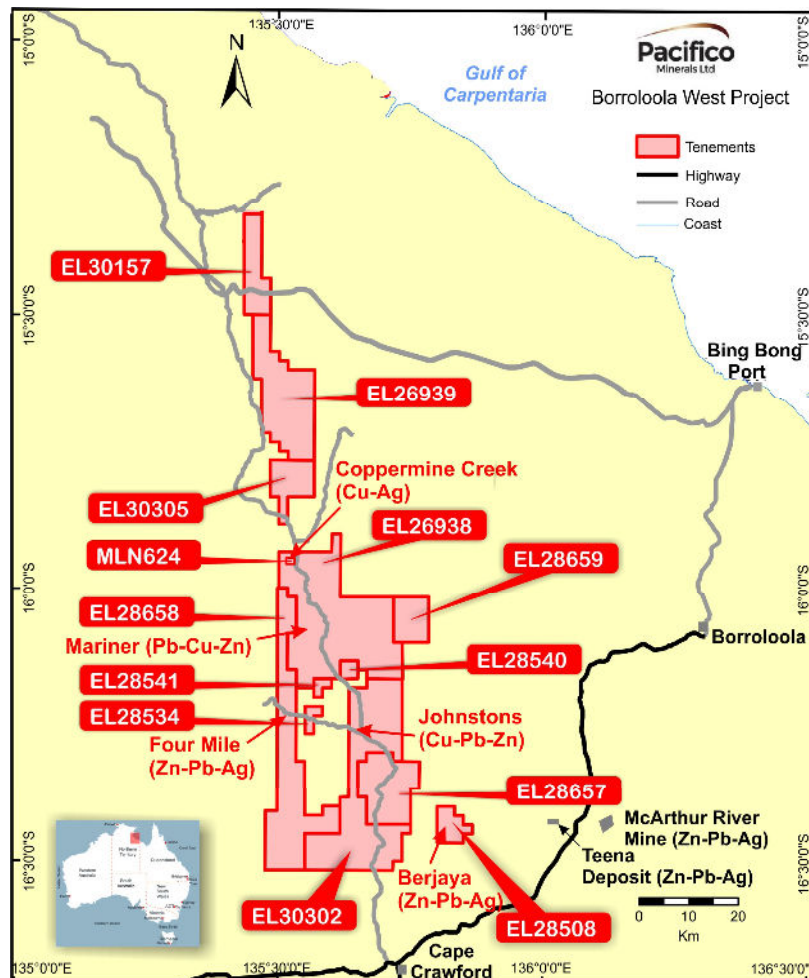


Figure 1: Borroloola West Project Tenements and Location of prospects

Coppermine Creek (copper-cobalt, silver)

One RC hole, CCR08 (figure 3), was drilled into the Gordons Fault area of Coppermine Creek and intersected 23m of 0.7% Cu and 5g/t Ag (oxidised), including 10m of 1.3% Cu and 8g/t Ag, in a zone of quartz-dolomite veining spatially associated with a stratabound evaporite horizon.

The stratabound copper-cobalt-silver mineralisation at Coppermine is brought to surface by drag folding along the Gordons Fault. It should be noted that based on all the holes drilled by Pacifico, and the drilling of previous explorers summarised in see table 1, that the average intersection length is 26m and the length weighted average intersected grade from the 12 drill holes is 0.5% Cu and 0.016% Co. Most of the previous holes have not been analysed for silver. The outcrop length of the mineralisation is 700m (figure 2). If the zone extends south, dipping gently, from the copper mineralised outcrop at the Gordons Fault there is potential for a large volume of low grade stratabound Mount Isa/ Nifty style copper mineralisation, within which it is possible that there may be significant tonnages of much higher copper (and cobalt, silver) grades (both oxide and primary).

Ground EM and IP will be assessed for effectiveness over the known mineralisation, in order to identify more sulphide rich areas that may contain the higher copper grades in gently dipping strata beneath 50 to 250m of overlying stratigraphy. Diamond drilling will then either test these targets and/or step out from the known mineralisation (eg. see proposed diamond drill hole on figure 2).

| Drill Hole Number | From (m) | To (m) | Intersection Length (m) | Cu % | Co ppm |
|---------------------|----------|--------|-------------------------|------|--------|
| CEC01 (MIM) | 76 | 93 | 17 | 0.5 | 9 |
| MYD7 (BHP) | 181 | 189 | 8 | 0.3 | na |
| GPRC01 (Carrington) | 17 | 30 | 13 | 0.4 | 19 |
| GPRC04 (Carrington) | 0 | 35 | 35 | 0.4 | 148 |
| GPRC05 (Carrington) | 0 | 50 | 50 | 0.2 | 196 |
| GPRC07 (Carrington) | 0 | 49 | 49 | 0.7 | 472 |
| GPRC08 (Carrington) | 13 | 34 | 21 | 0.3 | 203 |
| GPRC09 (Carrington) | 20 | 51 | 31 | 0.6 | 83 |
| GPRC10 (Carrington) | 4 | 19 | 15 | 0.4 | 11 |
| CCD02 (Pacifico) | 147 | 159 | 12 | 0.4 | 17 |
| CCD03 (Pacifico) | 40 | 73 | 33 | 0.5 | 35 |
| CCR08 (Pacifico) | 35 | 58 | 23 | 0.7 | 71 |

Table 1: Current and previous drill intersections of copper and cobalt through the evaporite zone

na = not analysed
MIM = Mount Isa Mines Ltd
BHP = BHP Exploration Pty Ltd
Carrington = Carrington Mines Ltd

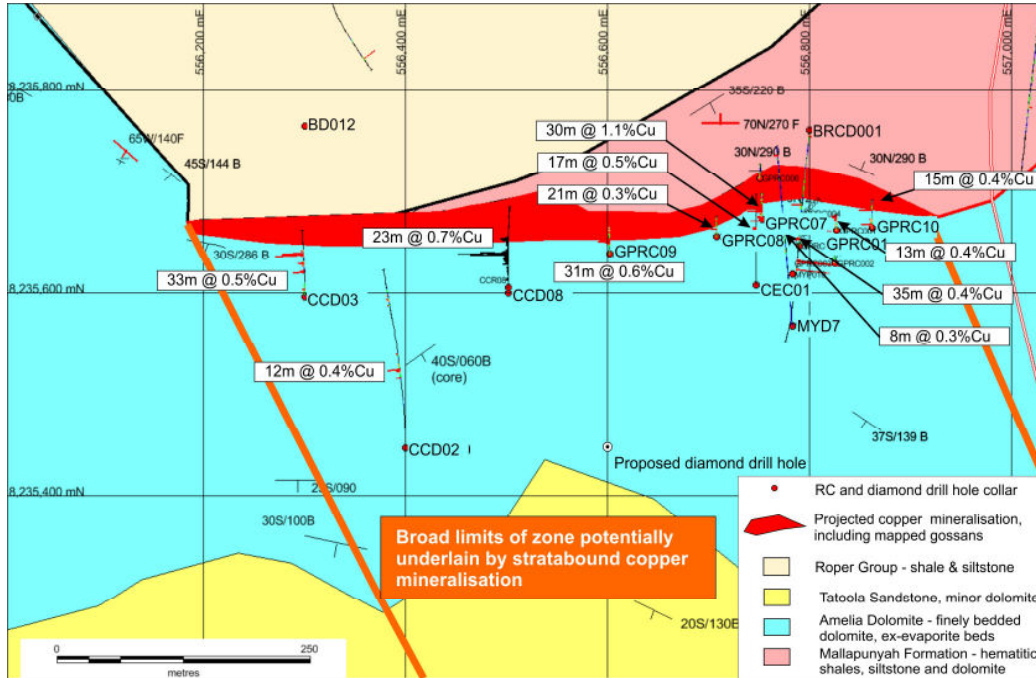


Figure 2: Coppermine Creek Prospect – Geological plan showing projected drill hole traces, stratabound copper intersections and potential extent

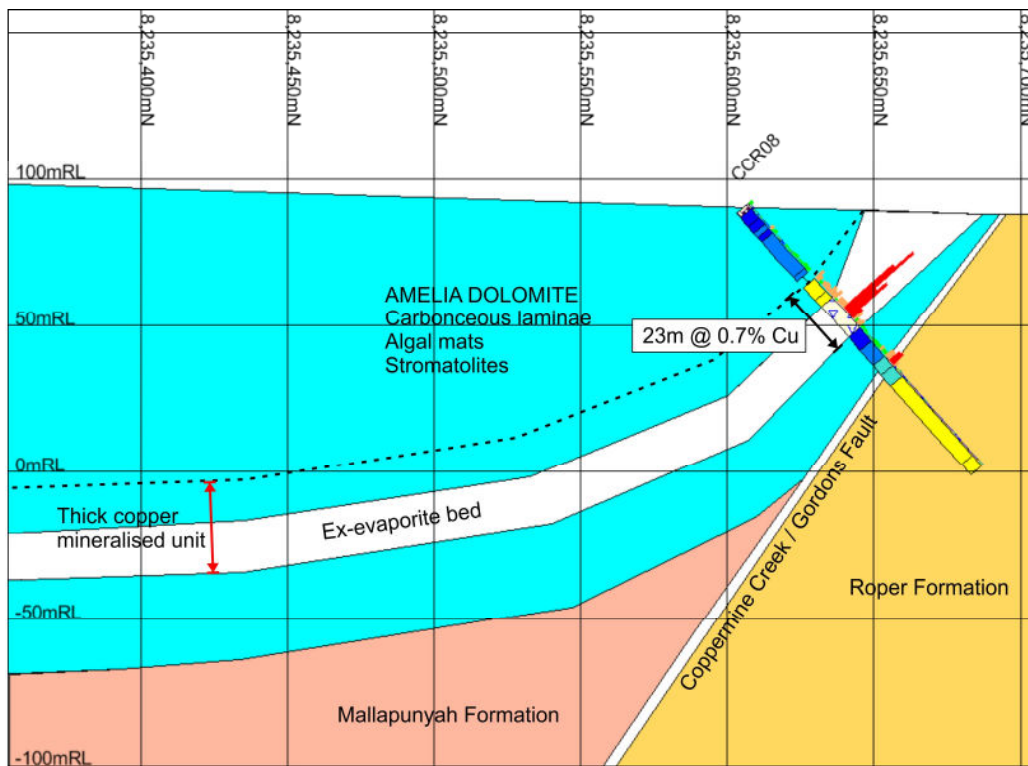


Figure 3: Coppermine Creek Prospect – East west section through CCR08 showing probable extension of copper mineralisation to the south

Mariner (zinc-lead)

Four RC holes were drilled by Pacifico (MNR01 to MNR04). The drilling demonstrates that oxidised lead mineralisation forms at the base of the Roper Group (see results below – table 2). The basal unit of the Roper Group consists of sandstone, siltstone and chert breccia fragments in a clayey matrix.

| Hole ID | From (m) | To (m) | Length | Pb |
|-----------|----------|--------|--------|-------|
| MNR01 | 6 | 27 | 21 | 1.0% |
| including | 13 | 19 | 6 | 2.4% |
| MNR02 | 25 | 46 | 21 | 0.35% |
| MNR03 | 41 | 66 | 25 | 0.09% |

Table 2: Lead intersections at Mariner

The lead mineralised zones are also slightly anomalous in zinc (up to 549ppm Zn over 1m interval). As the Roper Group contains no known primary mineralisation whatsoever regionally it is likely that the lead and zinc originate from base metal mineralisation in the underlying McArthur Group and has moved by hydromorphic dispersion along the contact zone (figure 5). Diamond drilling is proposed to test the McArthur Group down-dip of MNR03 (figure 4).

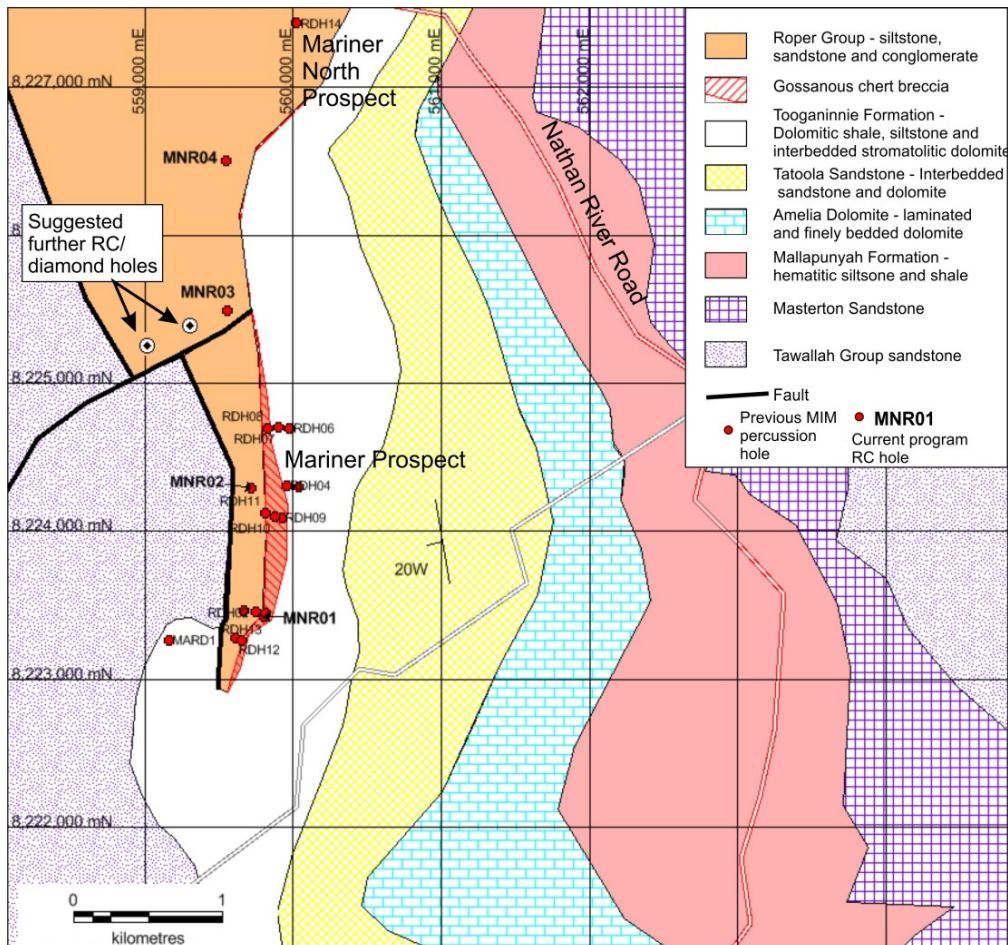


Figure 4: Mariner Prospect – Updated interpreted geological plan showing current RC collars (MNR series)

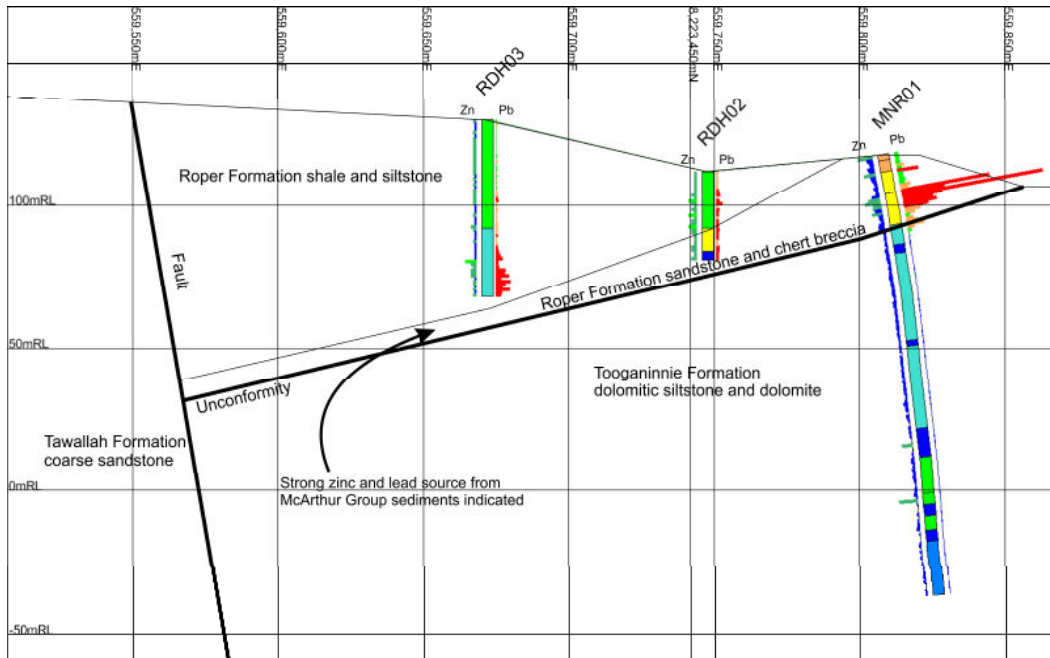


Figure 5: Section east-west through MNR01, also showing previous MIM percussion holes RDH02 and RDH03

Berjaya (zinc-lead)

At Berjaya, three RC drill holes were drilled and all intersected carbonaceous and pyritic shales and siltstones of the Barney Creek Formation (oxidised in BJR01 and BJR02)

Drill hole BJR02, adjacent to a major fault, did not reach the base of the probable oxidised Barney Creek Formation (figures 6 and 7) and diamond drilling will be required to test the thickness and prospectivity of the unit.

None of the holes through the Barney Creek Formation contained anomalous base metal values. However, more detailed geochemistry will be carried out on selected samples to test for documented pathfinder elements to a McArthur style sediment hosted massive sulphide ("SHMS") deposit.



Figure 6: Berjaya EL28508 – Geology and RC drill hole collars

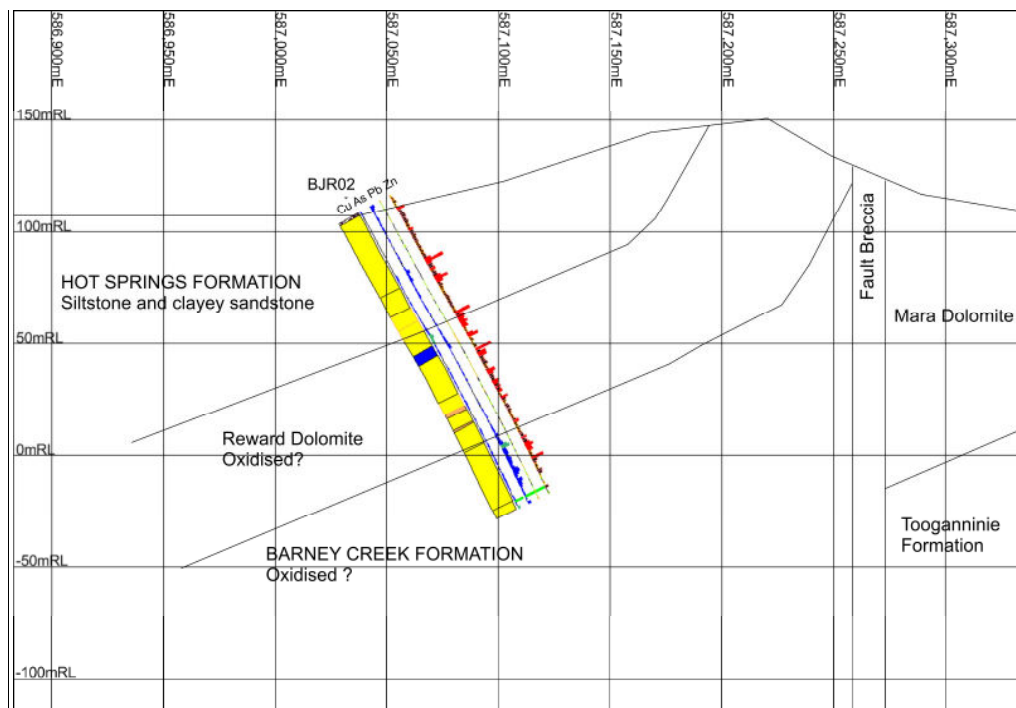


Figure 7: Berjaya Prospect – Section (direction 120deg) through BJR01. Note X5 vertical exaggeration.

Four Mile (zinc-lead)

Five RC drill holes, FMR01 to 05, were drilled at Four Mile (figure 8). The section (figure 9) shows the beds dipping at about 25 deg overall, to the west.

There is very fine disseminated pyrite throughout the Barney Creek Formation carbonaceous siltstone. Sulphur values indicate an average of about 0.5 volume % pyrite. This increases to over 1% and up to 4% pyrite in an upper and lower sulphidic zone, both several metres thick (figures 8) but contain no significant associated base metals.

Below the upper sulphidic zone in drill hole FMR05 there are several metres of elevated Pb, from 300ppm to 900ppm Pb, associated with thin dolomite veinlets. This may be reflecting the vicinity of the potentially mineralising NE trending fault (figure 9).

The western section of the Barney Creek Formation tested at Four Mile is considered by the Company, in a regional context, as prospective for a McArthur River style SHMS deposit. More detailed geochemistry of the sulphide rich zones is being undertaken that may indicate the vicinity of, or vectors to SHMS mineralisation.

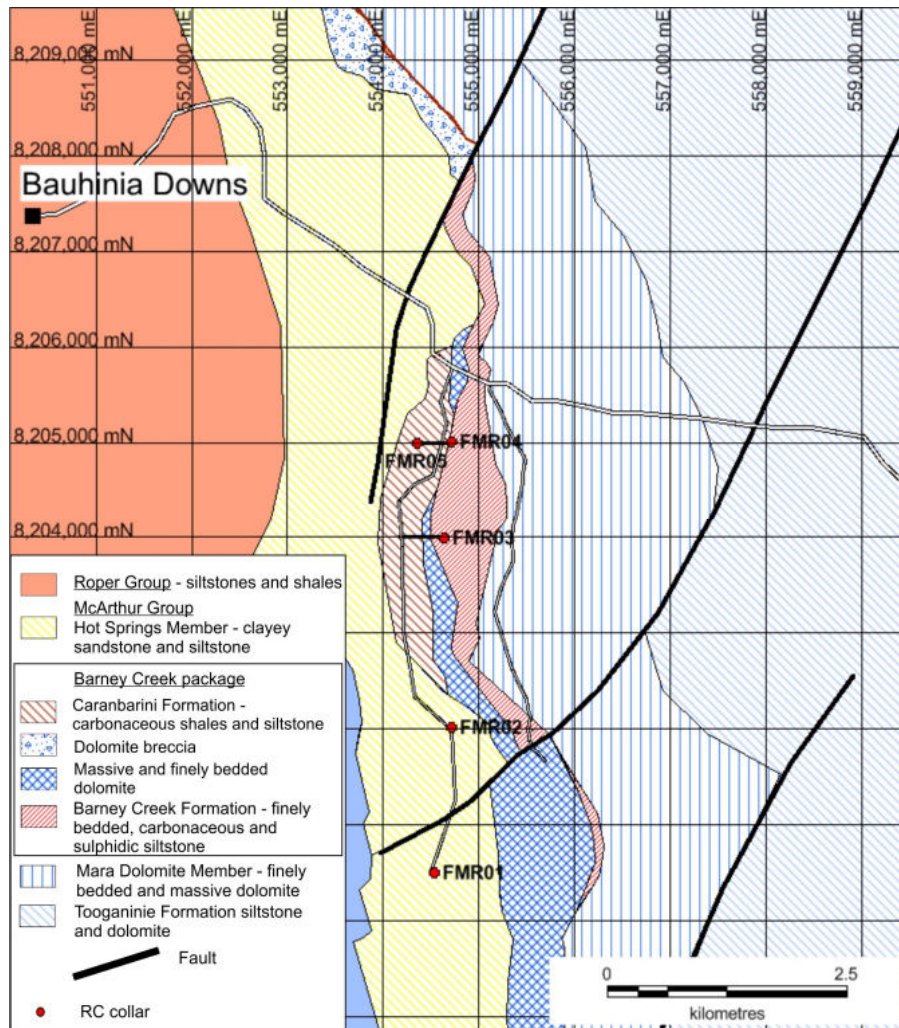


Figure 8: Four Mile Prospect – RC drill collars and reinterpreted geology

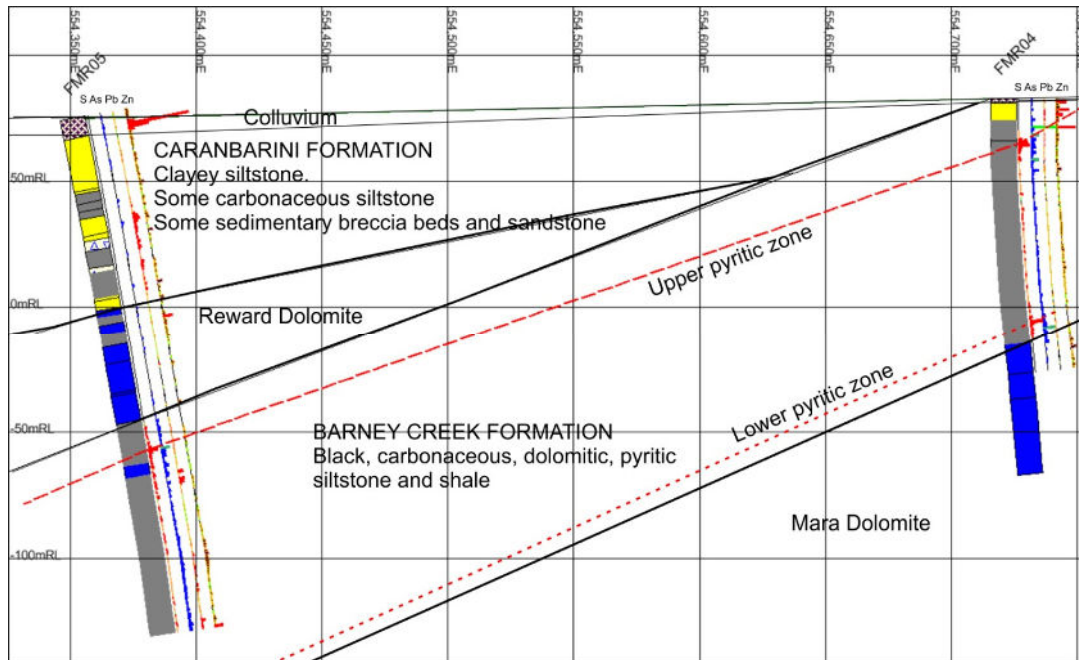


Figure 9: Four Mile Prospect - East-west Section through FMR05 and FMR04

Other Prospects

One RC hole was drilled at the Johnstons Prospect (JTR01), and three RC holes (CCR05, 06, 07) were drilled to test a gossanous breccia 2km east of the Coppermine Creek prospect. No significant results were obtained indicating that mineralisation in both areas is discontinuous and patchy.

Planned Work

- RC and diamond drilling at Coppermine Creek targeting the discovery of a major copper (cobalt, silver) resource.
- Diamond drilling Mariner to identify the zinc-lead SHMS source in the underlying McArthur Group.
- RC drilling and diamond drilling at other prospects as targets are developed – Berjaya (zinc-lead), Four Mile (zinc-lead), Lorella (copper).

Mount Jukes Project, Tasmania – Copper/Gold/Base Metals – PMY 15%

The Mt Jukes Project is adjacent to the Vedanta owned Mt Lyell copper/gold project in Tasmania. Corona Minerals Ltd (“Corona”) is the operator and manager of this project. Further details about the project can be found on Corona’s website www.coronaminerals.com.

Colombia

Berrio Project – Gold

The Berrio Project is situated within the Segovia Gold Belt, the most prolific gold belt in Colombia, from which several millions of ounces of gold have been produced over 150+ years. The Segovia Gold Belt continues as a focus for exploration and mine development within Colombia. The project is 35km from the Magdalena River which is navigable to the Caribbean Sea and has excellent infrastructure in place including hydro power, water supply, sealed roads and telecommunications coverage. In excess of 10 km of the contact and 700 hectares of Berrio Sediments have yet to be explored in significant detail.

During the quarter, two zones were prioritised for immediate work:

- A 14-20 m shear zone, within the Berrio Sediments, is recorded in a third-party licence adjoining the Pacífico licences. This shear zone is exploited by gold miners and is observed to host disjointed quartz veins and crystalline pyrite. This shear zone projects into Pacífico’s licences and offers several hundred metres of exploration potential.
- In the Segovia Batholith, west of the Berrio Sediments and Nus Fault, continuous quartz veins, of varying orientations, are exploited at the neighbouring Argentina silver and gold mine. These structures project into Pacífico’s licences and offer over 700 m of exploration potential.

Structures identified in Pacífico’s licences will be evaluated for both bulk tonnage and high-grade potential.

Identified gold bearing structures within Pacífico’s licences will be targeted by tight spaced soil sampling. Soil sampling has previously proved to be effective at identifying gold mineralisation in soil at Berrio. After soil sampling, areas of interest will be considered for trenching.

Pacífico expects to provide a further update on exploration activities at the Berrio project during February 2017.

Based on the results generated from the exploration program outlined above a diamond drill program will be considered for early 2017.

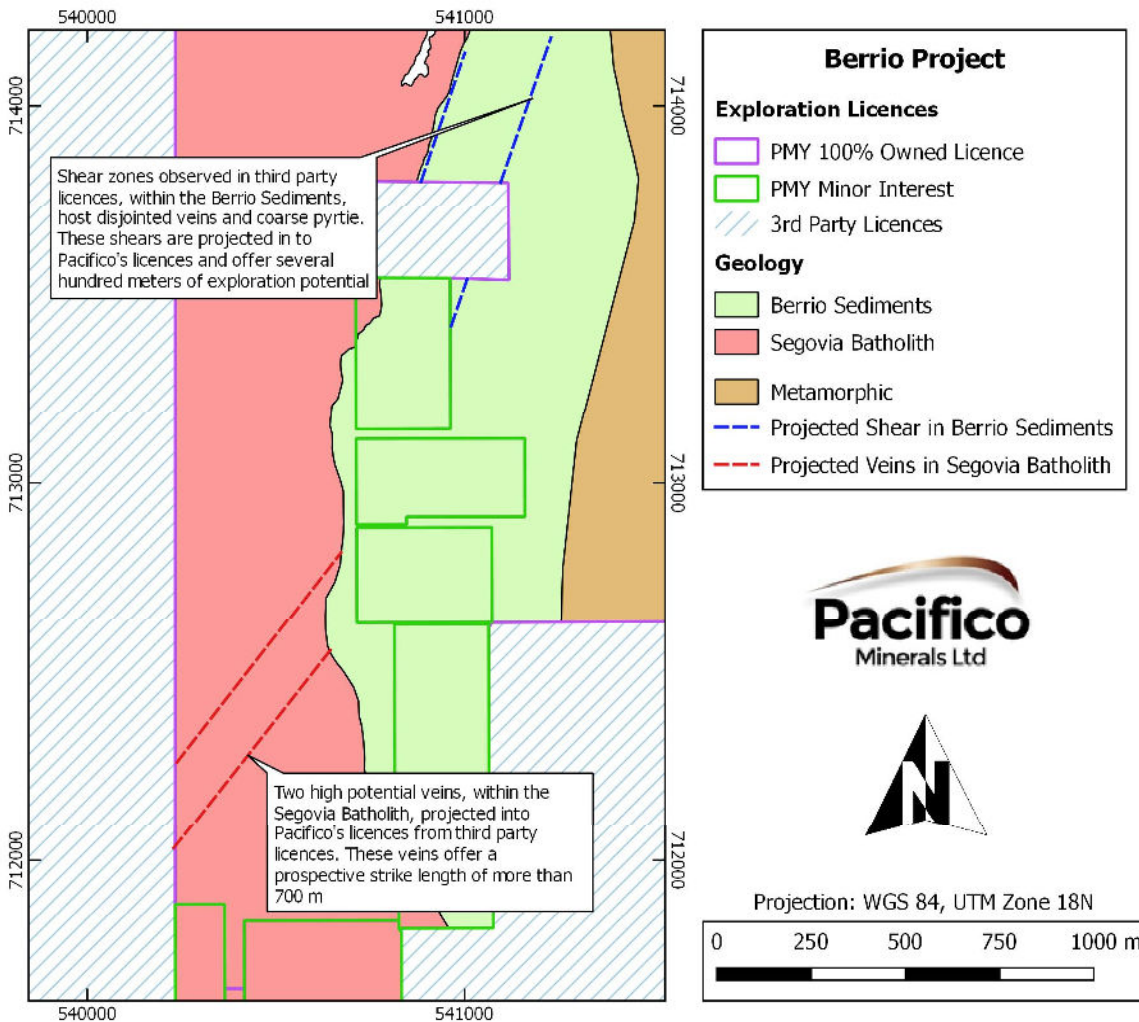


Figure 10: Map of structures of interest to be targeted during exploration as outlined above

Natagaima Prospect – Copper/Silver/Gold

The Natagaima tenement application is situated in the department of Tolima, approximately 5km west of the navigable Magdalena River. It is located within the Middle Cauca Porphyry Belt. Follow up exploration will continue when the Natagaima tenement application is granted to Pacífico and will include detailed mapping and trenching of areas of interest.

Urrao Project, Colombia – Copper/Gold/Silver (Pacífico earning up to 100%)

The Urrao Project is part of the Choco porphyry copper belt and is located 35km north west of Tarso in the municipality of Urrao and Salgar. The project consists of one granted tenement covering a total area of approximately 902 hectares. Pacífico now owns a 100% interest in the Urrao Project. There was no further activity on the project during the quarter.

Corporate

The consolidated cash balance at 31 December 2016 was approximately \$0.75 million.

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

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About Pacífico Minerals Ltd

Pacífico Minerals Ltd (“Pacífico”) (ASX: PMY) is a Western Australian based exploration company with interests Australia and Colombia. In Australia, the company is focussed on advancing the Borroloola West project in the Northern Territory. The Borroloola West Project is a Joint Venture with Sandfire Resources NL (ASX: SFR) with Sandfire retaining 49% and Pacífico holding 51% and operator of the Joint Venture. 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. In Colombia, the company is focussed on advancing its Berrio Gold Project. Berrio is situated in the southern part of the prolific Segovia Gold Belt and is characterised by a number of operational, artisanal-scale mines. The project is 35km from the Magdalena River which is navigable to the Caribbean Sea and has excellent infrastructure in place including hydro power, sealed roads, a water supply and telecommunications coverage.

Competent Person Statement

The information in this announcement that relates to the Borroloola West Project is based on information compiled by Mr David Pascoe, who is a Member of the Australian Institute of Geoscientists. Mr Pascoe is contracted exclusively to Pacífico 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. The information in this announcement that relates to the Berrio Project is based on information compiled by Mr David Seers, who is a Member of the Australian Institute of Geoscientists. Mr Seers is contracted to Pacífico Minerals Limited. Mr Seers 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 Seers consents to the inclusion in this announcement of the matters based on information in the form and context in which it appears.

APPENDIX 1 – INTERESTS IN TENEMENTS

| Farm-in agreements/Projects/Tenements | Location | Held at end of quarter | Acquired during the quarter | Disposed during the quarter |
|--|------------------|--|-----------------------------|-----------------------------|
| Berrio Project: 6822 6822B 6823 6824 6824B 6825 6826 IDI-16112X IDI-16113X HINN-02 JG1-09552 T1935005 IHF-08012 T1928005 | Colombia | 100% 100% 100% 100% 100% 100% 100% 8.6% 8.6% 8.6% 8.6% 8.6% 7.5% 5.7% | | |
| Urrao Project: 2791 | Colombia | 100% | | |
| Borroloola West Project (Joint Venture with Sandfire Resources): EL26938 EL26939 EL28508 EL28534 EL28540 EL28541 EL28657 EL28658 EL28659 EL30157 EL30302 EL30305 MLN624 | NT, Australia | 51% 51% 51% 51% 51% 51% 51% 51% 51% 51% 51% 51% 51% | | |

| Farm-out agreements/Tenements | Location | Held at end of quarter | Acquired during the quarter | Disposed during the quarter |
|---|------------------------|------------------------------|-----------------------------|-----------------------------|
| Mount Jukes Project (Corona Minerals Ltd 80%, Pacífico diluting): EL51/2008 EL12/2009 | Tasmania, Australia | 15.19% 15.19% | | 0.81 0.81 |

APPENDIX 2 - Drill hole coordinates

| Drill Hole ID | Prospect | Type | Easting | Northing | Elevation | Total depth | Dip | Azimuth |
|---------------|------------|------|---------|----------|-----------|-------------|-----|---------|
| CCR05 | Coppermine | RC | 560897 | 8236743 | 75 | 97 | -70 | 000 |
| CCR06 | Coppermine | RC | 560353 | 8236706 | 77 | 144 | -60 | 000 |
| CCR07 | Coppermine | RC | 559681 | 8236766 | 72 | 144 | -60 | 000 |
| CCR08 | Coppermine | RC | 556502 | 8235605 | 90 | 120 | -50 | 000 |
| FMR01 | Four Mile | RC | 554534 | 8200500 | 102 | 150 | -90 | 000 |
| FMR02 | Four Mile | RC | 554721 | 8202014 | 86 | 192 | -90 | 000 |
| FMR03 | Four Mile | RC | 554639 | 8203992 | 81 | 120 | -90 | 000 |
| FMR04 | Four Mile | RC | 554721 | 8205002 | 83 | 150 | -90 | 000 |
| FMR05 | Four Mile | RC | 554351 | 8205000 | 75 | 208 | -80 | 090 |
| MNR01 | Mariner | RC | 559806 | 8223426 | 118 | 156 | -75 | 090 |
| MNR02 | Mariner | RC | 559716 | 8224286 | 122 | 150 | -80 | 090 |
| MNR03 | Mariner | RC | 559557 | 8225489 | 126 | 96 | -80 | 090 |
| MNR04 | Mariner | RC | 559551 | 8226498 | 110 | 150 | -80 | 090 |
| JTR01 | Johnstons | RC | 568726 | 8201821 | 135 | 150 | -60 | 300 |
| BJR01 | Berjaya | RC | 587735 | 8185588 | 102 | 150 | -80 | 220 |
| BJR02 | Berjaya | RC | 587033 | 8181097 | 106 | 150 | -60 | 090 |
| BJR03 | Berjaya | RC | 591700 | 8181775 | 105 | 150 | -80 | 135 |

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 (eg 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 (eg '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. | <ul style="list-style-type: none"> RC samples were taken at 1m intervals from which about 2kg was crushed and pulverised for analysis. Samples were submitted to ALS Laboratories in Townsville. Samples were analysed using an aqua regia digestion and ICP-MS multi-element analysis. Samples containing +1% Cu, Zn or Pb were automatically re-analysed with an aqua regia digestion and an ore grade analysis using an ICP-AES finish to more accurately determine the high grade Cu, Zn or Pb values. pXRF results indicated in this announcement are clearly described as qualitative |
| Drilling techniques | <ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg 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"> Reverse circulation drilling, face sampling bit. |
| 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 fine/coarse material. | <ul style="list-style-type: none"> RC recoveries assessed visually per meter. Drillers use high air compression to maintain samples dry, maximise recoveries and minimise contamination. Sufficient analyses not received to assess recovery related sample result bias. |
| 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"> All chips and core are geologically logged. All logging is descriptive and qualitative |
| 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"> RC chips are rotary split and taken every meter. Both dry and wet samples were taken. Samples are crushed, pulverised and a 250g split taken for analysis. Standards, duplicates and blanks were inserted for quality control Sample sizes are correct for the style of copper, lead and zinc mineralisation sampled, however studies and checks are ongoing. |
| 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, | <ul style="list-style-type: none"> Standards, duplicates and blanks were inserted into the sample sequence before sending to the laboratory for analyses and checked when results were received. No bias was detected with these small batches of samples, but studies are ongoing. The acid digestions are sufficient to provide a total copper analysis. ICP-AES |

| Criteria | JORC Code explanation | Commentary |
|---|--|--|
| | <i>duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i> | <p>is used on higher grade copper, zinc and lead samples to give a more accurate value.</p> <ul style="list-style-type: none"> pXRF results are clearly described as qualitative in this announcement. |
| 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"> Still at exploration and discovery stage, however visual estimates of the copper grade, assisted with a pXRF, correspond to the laboratory results. Previous exploration data and analyses appear reasonable in comparison with reported Pacífico data and are taken at face value (table 1). This data however would not be used in any future resource estimations. Primary data entered directly from lab csv files following assessment of check standards |
| 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"> Holes located by handheld GPS and accurate to 4 or 5m. When significant mineralisation continues to be intersected the collars will be picked up using differential GPS. 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"> Only exploration drilling. No sample compositing |
| 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"> Drillholes are approximately at right angles to the dominant strike directions of the fault and to bedding. Once a complete understanding is achieved, corrections will be made to estimate true widths. Any intersections described refer to down hole lengths. |
| Sample security | <ul style="list-style-type: none"> The measures taken to ensure sample security. | <ul style="list-style-type: none"> Samples for analysis stored in secure yard before transporting directly to ALS Mt Isa preparation 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. |

Section 2 Reporting of Exploration Results

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

| Criteria | JORC Code explanation | Commentary |
|---|---|--|
| <i>Mineral tenement and land tenure status</i> | <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"> The Borroloola West JV Project consists of EL's 26939, 30305, 26938, 28659, 28540, 28541, 28534, 28658, 30302, 28657, 28508, MLN 624 and ELA 26599. The Borroloola West Project is a joint venture with Sandfire. Pacifico is the operator. Some of the licence areas are covered by the Limmen National Park and permissions for exploration have been obtained from both the traditional owners and the Parks and Wildlife Commission. Berjaya (EL28508) lies on McArthur River Station and permissions for exploration have been obtained from the traditional owners and Glencore. Granted licences. No known security of tenure issues or anticipated impediments to operate. |
| <i>Exploration done by other parties</i> | <ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. | <ul style="list-style-type: none"> Various companies have explored the area now covered by the Borroloola West Project including Sandfire Resources NL, Mount Isa Mines Ltd and BHP Exploration Pty Ltd. |
| <i>Geology</i> | <ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. | <ul style="list-style-type: none"> The Borroloola West Project is considered prospective for sediment hosted massive sulphide zinc lead silver deposits and structurally controlled copper deposits in the Proterozoic sedimentary sequence. Manganese deposits may be present in Cretaceous sediments. Diamonds may occur in concealed kimberlitic pipes. |
| <i>Drill hole Information</i> | <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"> Drill hole coordinates and details are provided in Appendix 1 of this announcement to the ASX |
| <i>Data aggregation methods</i> | <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"> All analyses were taken over 1m and no weighting techniques have been used. No grades have been cut. Aggregations of grades are listed in the intercepts. No metal equivalent values have been used. |
| <i>Relationship between mineralisation widths and intercept lengths</i> | <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"> Down-hole lengths only have been reported. The geometry of the mineralisation is known with insufficient certainty to estimate true widths. |

| Criteria | JORC Code explanation | Commentary |
|------------------------------------|---|--|
| 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 and sections are provided (figures 2 to 8). Significant intercepts are shown in Tables 1 and 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"> All significant results are reported |
| 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"> No other substantive exploration data |
| Further work | <ul style="list-style-type: none"> The nature and scale of planned further work (eg 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"> Further step-out drilling targets are described and shown on maps. |

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

Pacifico Minerals Limited

ABN

43 107 159 713

Quarter ended ("current quarter")

31 December 2016

| Consolidated statement of cash flows | Current quarter \$A'000 | Year to date (6 months) \$A'000 |
|--|----------------------------|---------------------------------------|
| 1. Cash flows from operating activities | | |
| 1.1 Receipts from customers | - | - |
| 1.2 Payments for | | |
| (a) exploration & evaluation | (410) | (577) |
| (b) development | - | - |
| (c) production | - | - |
| (d) staff costs | (100) | (197) |
| (e) administration and corporate costs | (163) | (252) |
| 1.3 Dividends received (see note 3) | - | - |
| 1.4 Interest received | 5 | 12 |
| 1.5 Interest and other costs of finance paid | - | - |
| 1.6 Income taxes paid | - | - |
| 1.7 Research and development refunds | - | - |
| 1.8 Other (receipts from JV partner – previous quarter included funds received in advance of expenditure) | 84 | 321 |
| 1.9 Net cash from / (used in) operating activities | (584) | (693) |
| 2. Cash flows from investing activities | | |
| 2.1 Payments to acquire: | | |
| (a) property, plant and equipment | - | - |
| (b) tenements (see item 10) | - | - |

Mining exploration entity and oil and gas exploration entity quarterly report

| Consolidated statement of cash flows | Current quarter \$A'000 | Year to date (6 months) \$A'000 |
|--|----------------------------|---------------------------------------|
| (c) investments | - | - |
| (d) other non-current assets | - | - |
| 2.2 Proceeds from the disposal of: | | |
| (a) property, plant and equipment | - | - |
| (b) tenements (see item 10) | - | - |
| (c) investments | - | - |
| (d) 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 shares | - | - |
| 3.2 Proceeds from issue of convertible notes | - | - |
| 3.3 Proceeds from exercise of share options | - | - |
| 3.4 Transaction costs related to issues of shares, convertible notes or options | - | - |
| 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) | - | - |
| 3.10 Net cash from / (used in) financing activities | - | - |
| 4. Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 Cash and cash equivalents at beginning of period | 1,331 | 1,440 |
| 4.2 Net cash from / (used in) operating activities (item 1.9 above) | (584) | (693) |
| 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) | - | - |

Mining exploration entity and oil and gas exploration entity quarterly report

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (6 months) \$A'000 |
|---|---|------------------------------------|--|
| 4.5 | Effect of movement in exchange rates on cash held | - | - |
| 4.6 | Cash and cash equivalents at end of period | 747 | 747 |

| 5. | Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | Current quarter \$A'000 | Previous quarter \$A'000 |
|------------|---|------------------------------------|-------------------------------------|
| 5.1 | Bank balances | 727 | 1,311 |
| 5.2 | Call deposits | 20 | 20 |
| 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) | 747 | 1,331 |

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

| Current quarter \$A'000 |
|------------------------------------|
| 78 |
| - |

Directors' fees, salaries and superannuation.

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

| Current quarter \$A'000 |
|------------------------------------|
| - |
| - |

N/A

Mining exploration entity and oil and gas exploration entity quarterly report

| 8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i> | Total facility amount at quarter end \$A'000 | Amount drawn at quarter end \$A'000 |
|--|---|--|
| 8.1 Loan facilities | - | - |
| 8.2 Credit standby arrangements | - | - |
| 8.3 Other (please specify) | - | - |
| 8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well. | | |
| N/A | | |

| 9. Estimated cash outflows for next quarter | \$A'000 |
|--|----------------|
| 9.1 Exploration and evaluation | 105 |
| 9.2 Development | - |
| 9.3 Production | - |
| 9.4 Staff costs | 94 |
| 9.5 Administration and corporate costs | 96 |
| 9.6 Other (provide details if material) | - |
| 9.7 Total estimated cash outflows | 295 |

| 10. Changes in tenements (items 2.1(b) and 2.2(b) above) | Tenement reference and location | Nature of interest | Interest at beginning of quarter | Interest at end of quarter |
|--|---|--|---|-----------------------------------|
| 10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced | EL51/2008 EL12/2009 Tasmania, Australia | Non- operating JV partner. Tenement interest. | 16% | 15.19 |
| 10.2 Interests in mining tenements and petroleum tenements acquired or increased | N/A | N/A | N/A | N/A |

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: Amanda Wilton-Heald
Company Secretary

Date: 25 January 2017

Print name: Amanda Wilton-Heald

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly 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 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.