

24 October 2017

Exploration Update - Berrio Gold Project, Colombia

ASX Code: PMY
ABN 43 107 159 713

CORPORATE DIRECTORY

Managing Director
Simon Noon

Directors
Richard Monti (Chairman)
Peter Harold (Non-exec.)
Andrew Parker (Non-exec.)

Company Secretary
Patrick Holywell

Registered office
Level 10, 553 Hay St
Perth WA 6000

Telephone:
+61 8 6266 8642

Facsimile:
+61 8 9421 1008

Email:
info@pacificominerals.com.au

Highlights

- Gold analyses received from auger soil sampling grids have delineated several anomalies over an area of 1.2km x 1.0km.
- Sampling grids covered areas of the Segovia Batholith and adjoining Berrio Sediments and are prospective for large gold systems in vein and stockwork systems.
- Follow up soil sampling with a grid spacing of 100 x 100m is planned for the following month

Pacifico Minerals Limited (ASX:PMY) ("Pacifico" or the "Company") is pleased to provide an update relating to exploration at its 100% owned Berrio Gold Project, Antioquia, Colombia.

The Berrio Project is situated within the southern part of the Segovia Gold Belt, from which several million ounces of gold have been produced over the past 150 years, and the eastern side of the Antioquia Batholith, host to a number of significant gold deposits.

Potential for the discovery of significant gold deposits in the Berrio district is recognised for large vein and stockwork systems. Important gold deposits in the Antioquia and Segovia Batholith terrain include the Segovia Mine (Gran Colombia, resources 1.6Moz Au¹) and Gramalote (AngloGold Ashanti and B2Gold joint venture, resources 3.7 Moz Au²). Smaller mesothermal gold vein deposits are also recently being developed at the Cisneros deposit (Antioquia Gold) and the San Ramon deposit (Red Eagle Mining).

Work Recently Completed

The area covered by the tenements (Figure 1) lies close to the intersection of three major regional faults, the Palestina Fault, Nus Fault and Bagre Fault, and in a district with significant known gold mineralisation.

All Pacifico's tenements and applications have been covered previously with reconnaissance traverses, that included mapping of the geology and taking rock chip samples. Anomalous gold values and widespread hydrothermal alteration of the rocks in structures were noted in the areas selected for the 200m x 200m soil grids (Figure 1). These areas are largely underlain by diorite of the Segovia Batholith.

¹ Gran Colombia Gold website, 31 December 2016

² B2 Gold website – Inferred resource (calculated from attributable resource for Gramalote) 31 December 2015



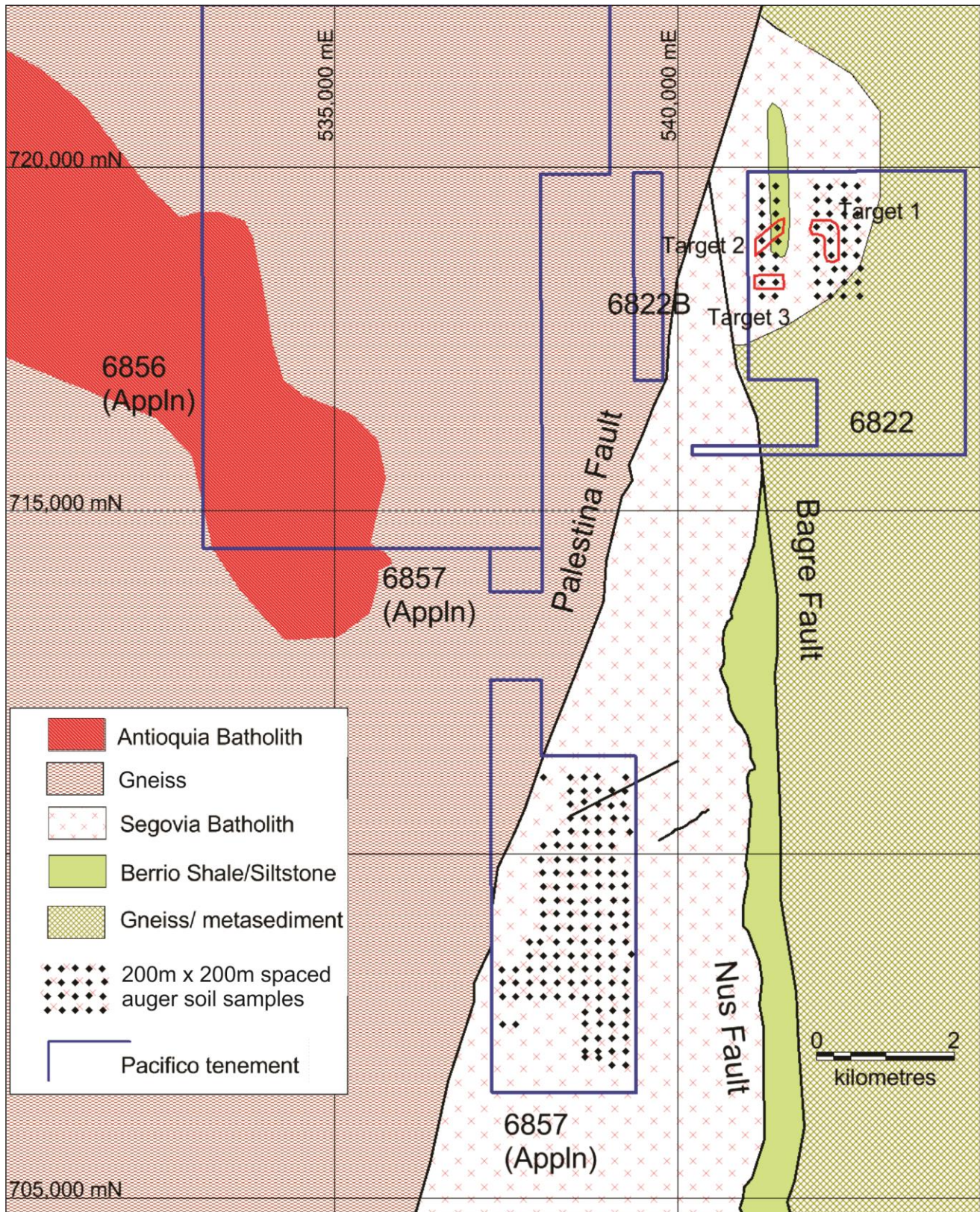


Figure 1: Geology and Pacifico (100%) tenements 6822, 6822B and tenement applications 6856 and 6857

Current Work

Auger soil sampling on a spacing of 200m x 200m was completed over the two grid areas (figure 1).

The northern area (within tenement 6822) is underlain by diorite of the Segovia Batholith and some Berrio sediments consisting of black carbonaceous shale, siltstone and sandstone. Structures containing pyrite mineralisation had been noted during reconnaissance work. Three gold and multielement anomalies are identified within an overall area of 1.2 x 1.0km (targets 1, 2 and 3 - figure 1). Values up to 71ppb Au, 43ppm As, 264ppm Cu and 360ppm Pb were obtained. There are abandoned artisanal adits in the vicinity of target 1.

The soil grid over the southern area (within tenement application 6857) is also underlain by diorite of the Segovia Batholith and there are several fault splays off the adjacent Palestina Fault. The north-eastern part of the licence contains extensions of known gold mineralised structures extending away from the Nus Fault. However only isolated gold anomalies were obtained, up to 19ppb Au, and the area is now considered of lower priority.

The gold anomalous areas on tenement 6822, defined as a result of this soil sampling program, will now be followed up with 100m x 100m soils, and then power auger drilling, pitting and trenching to define diamond drill targets.

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

Simon Noon (Managing Director)

Phone: +61 (0)8 6266 8642

Email: info@pacificominerals.com.au

Competent Person Statement

The information in this announcement that relates to the Berrio 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 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.

About Pacifico Minerals Ltd

Pacifico Minerals Ltd ("Pacifico") (ASX: PMY) is a Western Australian based exploration company with exciting projects in Australia and Colombia. In Australia the operations are 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. 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. 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, water supply and telecommunications coverage.

Appendix 1 – JORC Code, 2012 Edition, Table 1

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. 	<ul style="list-style-type: none"> Soil Sampling: A hand operated fence post driving tool ("palacoca") is used to advance through saprolite as deep as possible Grab, selective rock chip samples were taken for an indication of the presence or not of significant gold, and are not necessarily representative, and are submitted for industry standard fire assay and ICP analysis.
	<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"> No drilling to report.
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"> No new drilling to report.
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"> Depth, colour and brief description are recorded for each rock and soil sample
Sub-sampling techniques	<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 	<ul style="list-style-type: none"> No core data reported

Criteria	JORC Code explanation	Commentary
<i>and sample preparation</i>	<p><i>split, etc and whether sampled wet or dry.</i></p> <ul style="list-style-type: none"> <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> <i>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.</i> <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	
<i>Quality of assay data and laboratory tests</i>	<ul style="list-style-type: none"> <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> <i>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.</i> <i>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.</i> 	<ul style="list-style-type: none"> An internationally recognised and certified laboratory is used for samples analysis Assay techniques appropriate for the sample type are used.
<i>Verification of sampling and assaying</i>	<ul style="list-style-type: none"> <i>The verification of significant intersections by either independent or alternative company personnel.</i> <i>The use of twinned holes.</i> <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> <i>Discuss any adjustment to assay data.</i> 	<ul style="list-style-type: none"> Laboratory QAQC checks. Pacifico submits blank and standard samples to monitor laboratory performance
<i>Location of data points</i>	<ul style="list-style-type: none"> <i>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.</i> <i>Specification of the grid system used.</i> <i>Quality and adequacy of topographic control.</i> 	<ul style="list-style-type: none"> ALL data points are recorded in UTM WGS84 Zone 18N All sample points were located (and elevation measured and recorded) using a handheld GPS accurate to +/-4m

Criteria	JORC Code explanation	Commentary
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> <i>Data spacing for reporting of Exploration Results.</i> <i>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.</i> <i>Whether sample compositing has been applied.</i> 	<ul style="list-style-type: none"> Soil samples are based on systematic grids. In this case lines 200m apart are sampled at an interval of 200m. Sample line orientations are designed to cross mineralised structure
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> <i>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.</i> 	<ul style="list-style-type: none"> No detailed sampling of structures is reported
<i>Sample security</i>	<ul style="list-style-type: none"> <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> Samples were collected by the company geologist and kept in secure storage until the samples were delivered to the sampling laboratory by company staff
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <i>The results of any audits or reviews of sampling techniques and data.</i> 	<ul style="list-style-type: none"> Sampling was not audited or reviewed

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"> <i>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.</i> <i>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.</i> 	<ul style="list-style-type: none"> Concession contracts – 6822, 6822B, and Applications – 6856 and 6857. 2% net smelter royalty payable on 6822, 6822B, 6856 and 6857. There is no reason to believe applications for concessions 6856 and 6857 will not be successful. No known security issues or anticipated impediments to obtaining a license to operate in the area.
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> <i>Acknowledgment and appraisal of exploration by other parties.</i> 	<ul style="list-style-type: none"> No previous significant exploration work within Pacífico's concession areas
<i>Geology</i>	<ul style="list-style-type: none"> <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> The Berrio Project area is considered prospective for structurally controlled gold deposits including; mesothermal stockworks and shear hosted styles. Major mineralised structures are recognised in the Segovia Batholith.

Criteria	JORC Code explanation	Commentary
<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"> No drilling to report.
<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 any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> No data aggregation reported
<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 (e.g. 'down hole length, true width not known'). 	<ul style="list-style-type: none"> Grab rock chip samples and soil samples are not representative of actual grades
<i>Diagrams</i>	<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"> No significant discovery reported
<i>Balanced reporting</i>	<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"> No individual rock chip samples or soil samples are reported

Criteria	JORC Code explanation	Commentary
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> <i>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.</i> 	<ul style="list-style-type: none"> Selective rock chip samples are not representative
<i>Further work</i>	<ul style="list-style-type: none"> <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> Soil sampling grids over areas of interest is underway Figure 1 shows the sample soil grids