Pacifico Minerals Ltd

20 November 2017

Exploration Target defined for oxide copper at Lorella

Highlights

- Initial Exploration Target defined for oxide copper mineralisation at Lorella project, NT, Australia.
- 400m x 350m drilled by Sandfire Resources NL shows excellent continuity of mineralisation at 30 to 100m spacing with a further 12km of potential strike to test.
- Drill intersected mineralisation averages 1% copper and 8m thickness (0.4% Cu cut-off), and is flat or gently dipping beneath just 20 to 30m of unconsolidated alluvial overburden.
- Acid leach test work recently carried out at SGS Metallurgy, returned highly positive results and indicates that leaching the oxide copper could be economically viable.
- Potential to produce cathode copper from a solvent extraction, electrowinning operation ("SXEW") with potentially very low start-up costs.
- Aircore program (2000m) planned to commence late November to test the strike extensions of oxide copper mineralisation.

Pacifico Minerals Limited (ASX: PMY) is pleased to announce an Initial Exploration Target for its Lorella Project in the McArthur Basin, Northern Territory, Australia (Figure 1). The Project area contains high potential for significant additional tonnages of oxide copper mineralisation, a small section of which has been drilled by Sandfire Resources NL.

The Lorella Project lies within EL26939 of the Borroloola West Joint Venture ("BWJV") which consists of 12 exploration licences and 1 mining licence (1,817 km^2). The parties to the BWJV are 51% Pacifico Minerals Limited ("Pacifico" or "Company") and 49% Sandfire Resources NL ("Sandfire Resources") (ASX: SFR).

Data from drilling programs completed during 2010 and 2011 at the Lorella Prospect (Figure 2) has been reviewed and reinterpreted. Intersections with significant oxide copper mineralisation are compiled in Appendix 1.

The intersections of shallow oxide copper mineralisation include:

Drill hole	Intersection interval	Vertical intersection thickness and copper grade
11BLD0006	28 to 43m	15m of 1.3% Cu
BLRC032	20 to 26m	6m of 1.8% Cu
BLRC047	20 to 28m	8m of 1.1% Cu
BLRC094	24 to 38m	14m of 1.2% Cu
BLRC098	26 to 32m	6m of 1.1% Cu

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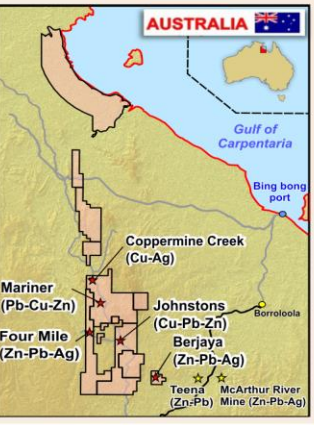

Drilling to date over the known oxide copper mineralisation only covers a small area of 350m x 400m (Figure 2). Considerable potential exists at Lorella for additional oxide copper resources along the strike extension of the sub-cropping stratabound mineralised horizon.

An Exploration Target* of 5 to 10Mt of 0.8% Cu to 1.1% Cu of oxide copper mineralisation is estimated. The grades of the Exploration Target are derived from the grades of mineralised blocks defined by 18 RC and diamond holes in the drilled area of oxide copper mineralisation (Appendix 1). The tonnage estimates are based on an estimate of the occurrence of pods of oxide copper mineralisation over 12km of strike under shallow alluvial cover.

**Exploration Targets are conceptual in nature and there has been insufficient exploration to estimate a Mineral Resource under the JORC code, 2012 edition. It is uncertain if further exploration will result in the estimation of a Mineral Resource.*

The oxide copper mineralisation consists of disseminations, veins and fracture fill of malachite and azurite within highly leached siltstone and fine grained sandstone (Figure 5). Using a 0.4% Cu cut-off, the drill intersections average 1% Cu and have an average vertical thickness of 8m (Appendix 1). The mineralisation is flat or gently dipping and beneath just 20 to 30m of unconsolidated alluvial overburden. The mineralisation is related to the base of the unconsolidated recent alluvium, and gently west dipping, stratabound horizons within the underlying Amelia Dolomite (Figures 3 and 4).

Preliminary acid leach test work recently carried out at SGS Metallurgy in Perth, returned highly positive results and indicates that leaching the oxide copper material could be economically viable (see ASX announcement 6 November 2017). If further oxide copper mineralisation can be defined there is potential for a low capital and operating cost operation, to open-cut mine the unconsolidated alluvial overburden and weathered oxide copper mineralisation, and produce cathode copper from a solvent extraction, electrowinning plant ("SXEW").

Planned Aircore Program

An aircore program (2000m) at Lorella is planned to commence late November to test strike extensions of the oxide copper mineralisation to the NW and SSE (Figure 2) to validate the Exploration Target and increase the potential for oxide copper resources, prior to definition reverse circulation and diamond drilling after the wet season has passed in early 2018, which if positive could provide a maiden mineral resource. The upcoming 40 hole program will also test for significant indications of primary copper mineralisation to a depth of approximately 50 metres.

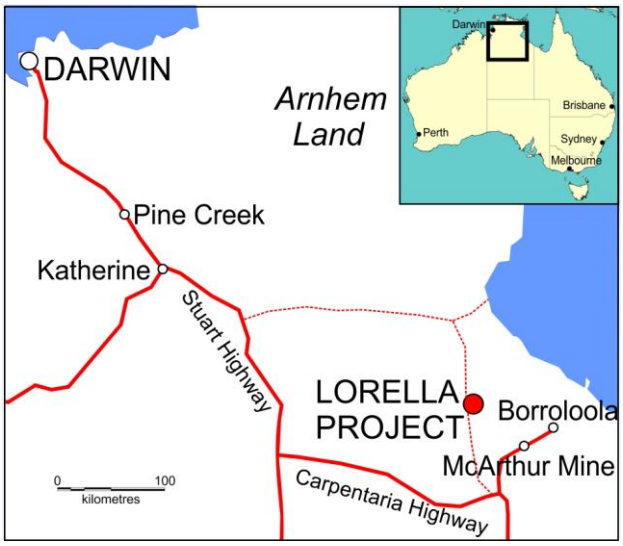

Figure 1: Location of Lorella Project

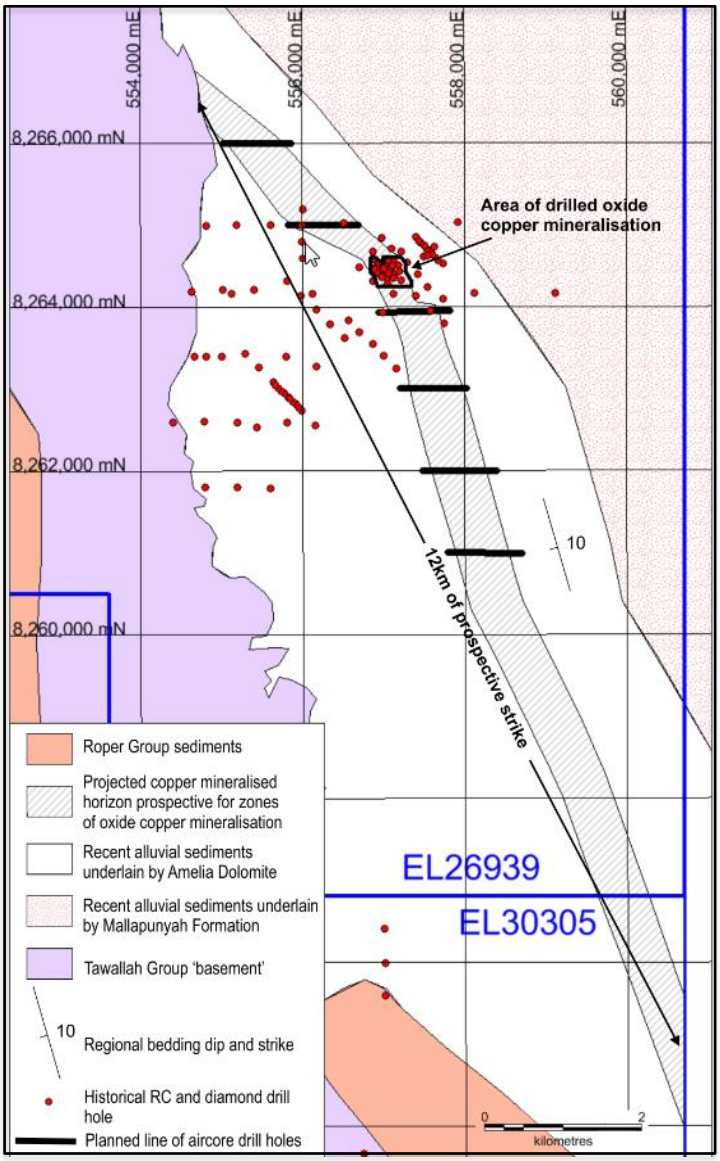

Figure 2: Lorella Prospect, plan showing planned aircore drill holes and projected extent of sub-surface copper mineralisation in which lies the Exploration Target

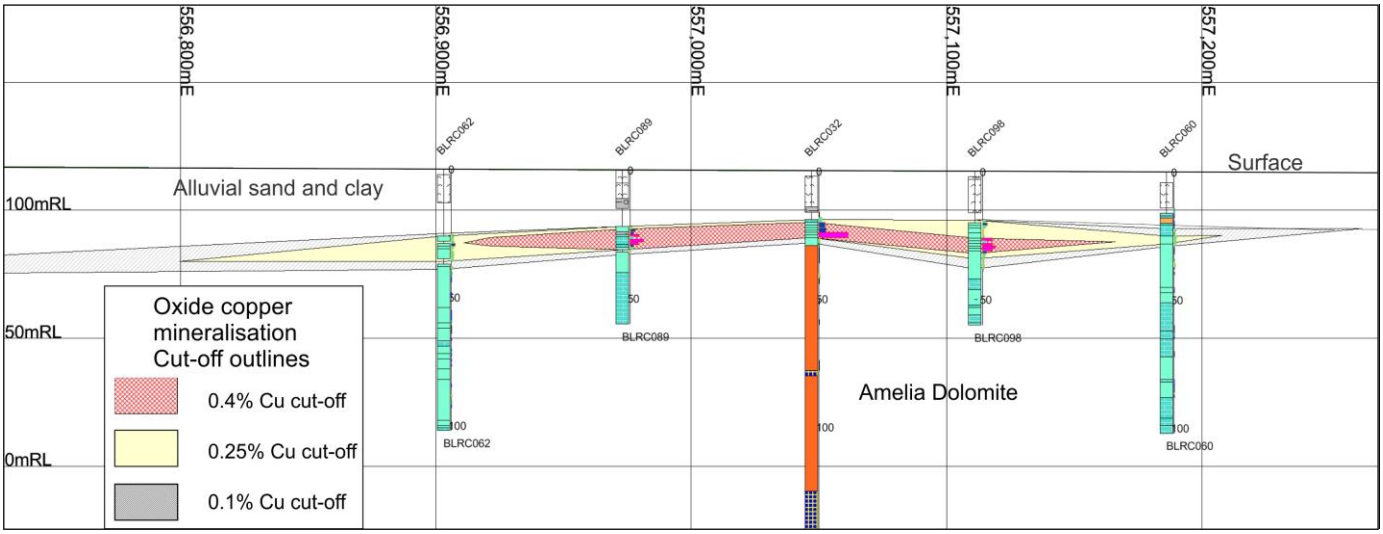

Figure 3: Section 8264500N, through oxide copper mineralisation, cut-off outlines, Lorella Prospect

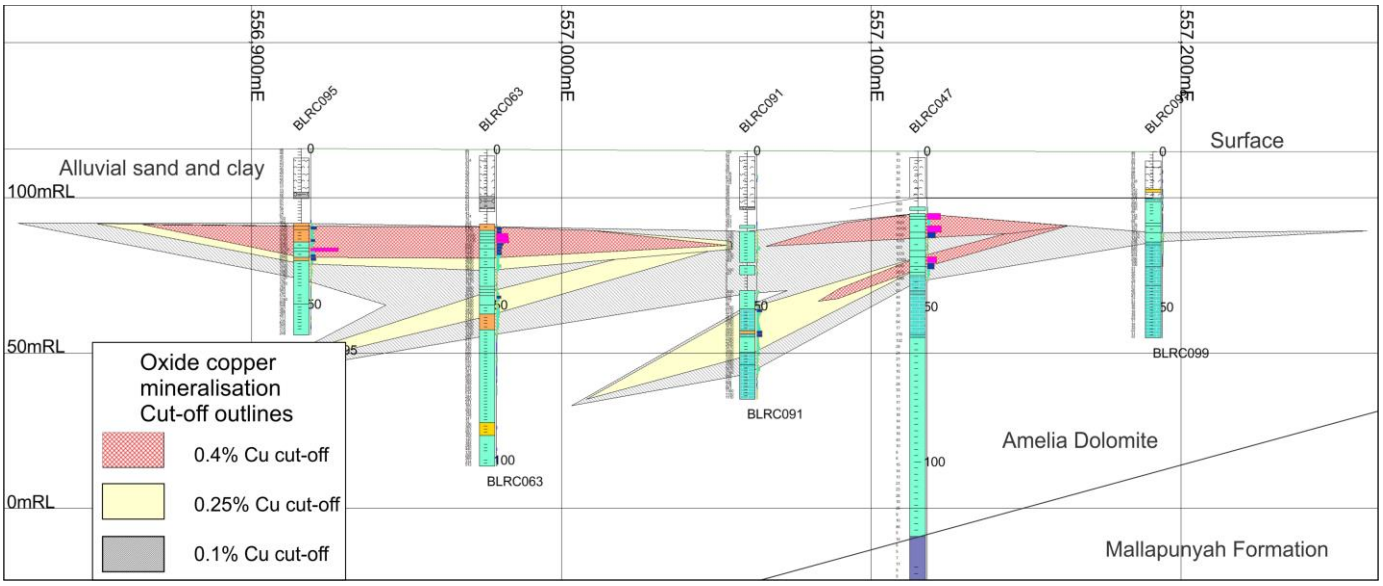

Figure 4: Section 8264430N, through oxide copper mineralisation, cut-off outlines, Lorella Prospect

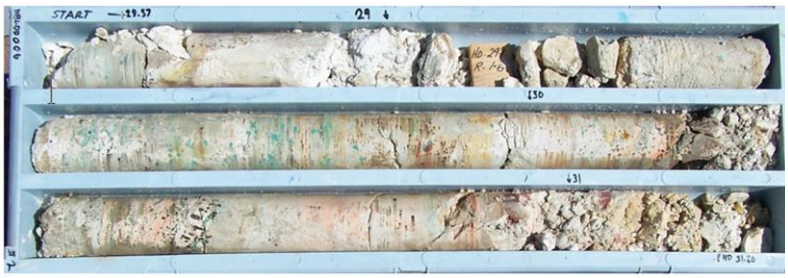

Figure 5: Disseminated malachite in diamond drill hole 11BLDD006

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About Pacifico Minerals Ltd
Pacifico Minerals Ltd ("Pacifico") (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 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 adits. 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
Information in this announcement that relates to the Exploration Target Estimate, 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 relevant to the style of mineralization and type of deposit under consideration and to the activity that 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 (JORC Code). Mr Pascoe consents to inclusion in this document of the information in the form and context in which it appears.

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

Appendix 1 – Historical oxide copper drill Intersections, drilled by Sandfire 2010 -2012[1], showing 0.25% Cu and 0.4% Cu cut-offs[2].

	0.25% Cu c/o				0.4% Cu c/o			
Hole Number	From	To	intersection thickness m	%Cu	From	To	intersection thickness m	%Cu
11BLDD0006	28	45	17	1.17	28	43	15	1.29
BLRC020	22	28	6	0.31				
BLRC032	18	26	8	1.45	20	26	6	1.83
BLRC047	20	28	8	1.06	20	28	8	1.06
BLRC060	25	28	3	0.29				
BLRC062	26	36	10	0.33				
BLRC063	25	39	14	0.67	25	35	10	0.81
BLRC064	24	31	7	0.5	25	30	5	0.57
BLRC084	22	28	6	0.59	22	25	3	0.87
BLRC085	20	27	7	0.77	20	24	4	0.96
BLRC089	22	31	9	0.79	23	31	8	0.84
BLRC090	23	26	3	0.38				
BLRC092	25	44	19	0.44	31	37	6	0.63
BLRC093	23	31	8	0.58	24	31	7	0.62
BLRC094	24	38	14	1.18	24	38	14	1.18
BLRC095	25	37	12	0.66	25	35	10	0.7
BLRC097	23	27	4	1.25	23	26	3	1.54
BLRC098	26	33	7	0.98	26	32	6	1.09
Intersection thickness weighted average grade % Cu				0.77				1.01
Average thickness m			10				8	

[1] *Sandfire 2010-12 Borroloola Project Group Annual Mineral Exploration Reports GR121-09 to NT Dept Primary Industry & Resources*
[2] *Minimum vertical thickness 3m, maximum internal waste included 3m*

JORC Code, 2012 Edition – Table 1 report

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *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.*	• RC samples (previous exploration) were taken at 1m intervals and cone split, from which about 1.5kg was crushed and pulverised for analysis. • Diamond drill core was halved and quartered with a core saw diamond core samples were taken over 1m intervals. About 3.5kg was crushed and pulverised for analysis. • The samples were prepared by North Australian Laboratories (NAL) in Pine Creek, and 120g of each prepared sample was forwarded in 2010 to Ultra Trace in Perth for multielement analyses by Aqua Regia/ AAS, and in 2011 to AMDEL in Adelaide for Agua Regia/ ICP-MS/ ICP-OES.
Drilling techniques	• *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).*	• Reverse circulation, face sampling bit. • Diamond drilling, PQ, HQ and NQ2 core • No core orientation recorded
Drill sample recovery	• *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.*	• Recovery information not available
Logging	• *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.*	• All RC chips and diamond drill core were geologically logged. All logging is descriptive and qualitative

Criteria	JORC Code explanation	Commentary
Sub-sampling techniques and sample preparation	• *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.*	• Mineralised diamond drill core was halved with a core saw. One half of every meter was sent for analysis. • RC chips were cone split and taken every meter. Both dry and wet samples were taken. • Samples were crushed, pulverised and a 120g split taken for analysis. • It is assumed that standards, duplicates and blanks were inserted for quality control • Sample sizes were correct for the style of copper mineralisation sampled, however studies and checks are ongoing.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• It is assumed that standards, duplicates and blanks were inserted into the sample sequence before sending to the laboratory for analyses and checked when results were received. • The acid digestions are sufficient to provide a total copper analysis.
Verification of sampling and assaying	• *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.*	• Still at exploration and discovery stage. • Primary data is contained in Sandfire 2011-12 Borroloola Project Group Annual Mineral Exploration Reports GR121-09
Location of data points	• *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.*	• Holes located by handheld GPS and accurate to 4 or 5m. • WGS 84 grid coordinates.
Data spacing and distribution	• *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.*	• Drill hole spacing 30m to 100m • No Resources announced • No sample compositing
Orientation of data in relation to geological structure	• *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,*	• Drillholes all vertical, testing flat or gently dipping mineralisation. Any intersections described refer to vertical down hole lengths.

Criteria	JORC Code explanation	Commentary
	this should be assessed and reported if material.	
Sample security	• *The measures taken to ensure sample security.*	• It is assumed that correct procedures were carried out by Sandfire
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• None required at this preliminary assessment stage.

Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *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.*	• 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. • Lorella (EL26939) lies on Lorella Springs Station and permissions for exploration have been obtained from the traditional owners and from the station operator. • Granted licences - No known security of tenure issues or anticipated impediments to operate in the area.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Various companies have explored the area now covered by the Borroloola West Project including Sandfire Resources NL, Nord Resources Ltd, Mount Isa Mines Ltd and BHP Exploration Pty Ltd.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Stratabound copper (cobalt-silver) mineralisation within the Proterozoic Amelia Dolomite which has been oxidised and upgraded by near surface supergene processes

Drill hole Information	• *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:*
	  ○ *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.*
		• Drill hole coordinates and details were provided previously in Appendix 1 of the announcement of 6th November 2017 to the ASX. All the holes are vertical.

Criteria	JORC Code explanation	Commentary
Data aggregation methods	• *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.*	• All analyses were taken over 1m and no weighting techniques have been used. No grades have been cut. Cut-off grades are clearly stated. • Aggregations of grades are listed in the intercepts in Appendix 1. No metal equivalent values have been calculated or used.
Relationship between mineralisation widths and intercept lengths	• *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').*	• Down-hole lengths only have been reported. The mineralisation is flat to gently dipping. All the drillholes reported in Appendix 1 are vertical and therefore reflect vertical thicknesses
Diagrams	• *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.*	• Map and sections are provided (figures 2 to 5). A tabulation of intercepts is included (Appendix 1).
Balanced reporting	• *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.*	• A summary of all results over a cut-off of 0.25% Cu are reported.
Other substantive exploration data	• *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.*	• Some additional geological observations are included
Further work	• *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.*	• Step-out and infill aircore, RC and diamond drilling • Map (Figure 2) shows interpreted extension of mineralisation.