

Peruvian Metals Achieves Record Fourth Quarter Throughput in 2020 at the Aguila Norte Processing Plant in Northern Peru

Edmonton, Alberta--(Newsfile Corp. - January 5, 2021) - **Peruvian Metals Corp. (TSXV: PER)** ("Peruvian Metals" or the "Company") is pleased to provide an update regarding the mineral processing at its 80% owned fully permitted Aguila Norte Processing Plant ("Aguila Norte" or the "Plant") located in Northern Peru. During 2020, the Plant processed 13,185 tonnes of third-party mineral compared to 18,510 tonnes in 2019. The decrease in the amount of processing was due to the COVID pandemic whereby the plant was closed from March 16th to July 27th.

During the fourth quarter of 2020, Peruvian Metals processed 6,732 tonnes of mineralized material, an increase of 66.8% compared to 2019 fourth quarter processing of 4,496 tonnes. Since reopening the Plant, mineral processing during the final 5 months averaged more than 70% of the Plant's capacity of 36,000 tonnes per year.

During 2020, the Plant produced high-grade quality concentrates for third parties in thirteen mineral campaigns or batches, ranging from 177 tonnes to 2,040 tonnes. The Plant achieved excellent recoveries by producing 2,685 tonnes of highly marketable Zinc concentrates averaging 50.5% Zn and 948 tonnes of Lead-Silver concentrates averaging 48.7% Pb and 165 ounces Ag per tonne. Two hundred and ninety tonnes of Copper concentrate averaging 30.7% Cu was also produced by processing three small batches totaling 1,912 tonnes of copper mineral. Concentrate ratios (amount of Mineral Processed: Tonnes of Concentrates Produced) in 2020 averaged 3.36 : 1 unchanged from 2019, showing that the Plant is producing significant amounts of concentrates for clients.

Jeffrey Reeder, CEO of Peruvian Metals comments: "Despite 2020 being a difficult year, we are extremely pleased with the level of production since governmental restrictions were lifted in July. The fourth quarter achieved record throughput levels and production levels are expected to continue for the first quarter 2021. We fully expect to increase the total throughput in 2021 and improve profit margins by processing mineralized material with a few select miners and begin processing mineral from our profit-sharing agreements with other miners. During 2020 the Company divested two non-core assets and will continue to divest certain non-core assets during 2021."

The Aguila Norte processing plant has an environmental permit ("IGAC") from the Peruvian government which provides the Plant with the ability to expand operations past the current 100 tonnes per day level.

Jeffrey Reeder, P Geo, a qualified person as defined in National Instrument 43-101, has prepared, supervised the preparation or approved the scientific and technical disclosure contained in this news release.

About Peruvian Metals Corp.

Peruvian Metals Corp. is a Canadian Exploration and Mineral Processing company. Our business model is to provide toll milling services for clients and to produce high-grade concentrates from mineral purchases. The Company continues to acquire and develop precious and base metal properties in Peru.

For further information on Peruvian Metals Corp. please visit www.peruvianmetals.com.

***Peruvian Metals Corp. is a Canadian resource company listed on the
TSX Venture Exchange : Symbol "PER"***

For additional information, contact: Jeffrey Reeder Tel: (647) 302-3290

Website: www.peruvianmetals.com Email: jeffrey.reeder@peruvianmetals.com

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Disclosure Regarding Forward-Looking Statements: This press release contains certain "Forward-Looking Statements" within the meaning of applicable securities legislation. We use words such as "might", "will", "should", "anticipate", "plan", "expect", "believe", "estimate", "forecast" and similar terminology to identify forward-looking statements and forward-looking information. Such statements and information are based on assumptions, estimates, opinions and analysis made by management in light of its experience, current conditions and its expectations of future developments as well as other factors which it believes to be reasonable and relevant. Forward-looking statements and information involve known and unknown risks, uncertainties and other factors that may cause our actual results to differ materially from those expressed or implied in the forward-looking statements and information and accordingly, readers should not place undue reliance on such statements and information. Risks and uncertainties are more fully described in our annual and quarterly Management's Discussion and Analysis and in other filings made by us with Canadian securities regulatory authorities and available at www.sedar.com. While the Company believes that the expectations expressed by such forward-looking statements and forward-looking information and the assumptions, estimates, opinions and analysis underlying such expectations are reasonable, there can be no assurance that they will prove to be correct. In evaluating forward-looking statements and information, readers should carefully consider the various factors which could cause actual results or events to differ materially from those expressed or implied in the forward-looking statements and forward-looking information.

To view the source version of this press release, please visit <https://www.newsfilecorp.com/release/71337>