

# Peruvian Metals Achieves Record Throughput at Aguila Norte and Achieves Positive Adjusted EBITDA During the First Half of 2022

Edmonton, Alberta--(Newsfile Corp. - September 12, 2022) - Peruvian Metals Corp. (TSXV: PER) (OTCQB: DUVNF) ("Peruvian Metals" or the "Company") is pleased to provide a financial and production update from mineral processing at its 80% owned Aguila Norte Processing Plant ("Aguila Norte" or the "Plant") located in Northern Peru.

During the first half of 2022, the Company reported record revenue and a positive adjusted EBITDA (earnings before interest, taxes, depreciation, and amortization) of \$281,737. Mineral processing revenue increased 32.4 % during the first six months of the year and current liabilities (not including reclaiming costs) decreased 27.6% from the same period in 2021.

During the first eight months of 2022, the Plant processed a record 19,697 tonnes of mineral in twenty-eight mineral campaigns compared with 16,920 tonnes processed in 2021. The 2022 year-to-date production represents an increase of 16 per cent, compared with the same period for 2021.

The Company is also pleased to announce that during the month of July it completed the sale of the concentrates announced in the news release dated June 13, 2022. These concentrates amounting to 22.66 tonnes of Lead-Silver-concentrate, 50.57 tonnes of Zinc concentrate, and 52.98 tonnes of Copper concentrate were sold to Trading Partners Peru S.A.C generating \$179,877 US in revenues. The mineral purchase, processing, and freight costs of the concentrates totaled \$134,475 US, resulting in a favourable profit margin.

During the month of July, the Company purchased 295 tonnes of Lead-Zinc-Silver mineral, then generated and sold to Trading Partners Peru S.A.C 19.85 tonnes of a Lead-Silver concentrate grading 163.67 oz Ag/MT, 39.56 % lead and 20.64% zinc and 40.54 tonnes of a Zinc concentrate grading 47.7% zinc and 7.78 oz Ag/MT. The sale generated revenues of \$109,435 US in which mineral purchase, processing, and freight costs totaled \$74,133 US.

## **Adjusted EBITDA - UNAUDITED**

	Three Months Ended June 30,		
	2022	2021	2020
<b>Net income (loss)</b>	\$ 471,769	\$ (267,582)	\$ (191,515)
<b>Add</b>			
Interest (income) expense	\$ (3,464)	\$ 3,782	\$ 3,838
Non-operating loss on investments	\$ 199,150	\$ 220,573	\$ 2,370
Gain on disposal of exploration subsidiary	\$ (376,009)	\$ -	\$ -
Amortization	\$ 58,517	\$ 59,574	\$ 58,118
Accretion expense	\$ 3,093	\$ 3,093	\$ 2,945
<b>Adjusted EBITDA*</b>	<b>\$ 353,056</b>	<b>\$ 19,440</b>	<b>\$ (124,244)</b>

Table 1

To view an enhanced version of Table 1, please visit:

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	Six Months Ended June 30,		
	2022	2021	2020
<b>Net income (loss)</b>	\$ 294,184	\$ (330,759)	\$ 577,598
<b>Add</b>			
Interest expense	\$ 8,526	\$ 7,495	\$ 7,765
Share-based compensation	\$ -	\$ 28,541	\$ 28,961
Non-operating loss on investments	\$ 231,875	\$ 303,982	\$ -
Gain on disposal of exploration subsidiary	\$ (376,009)		\$ (1,033,689)
Amortization	\$ 116,975	\$ 118,374	\$ 116,236
Accretion expense	\$ 6,186	\$ 6,186	\$ 5,890
<b>Adjusted EBITDA*</b>	<b>\$ 281,737</b>	<b>\$ 133,819</b>	<b>\$ (297,239)</b>

*\* adjusted to also include non-cash share-based compensation and non-cash loss/(gain) on investments and exploration subsidiary*

Table 2

To view an enhanced version of Table 2, please visit:

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Jeffrey Reeder, Chief Executive Officer of Peruvian Metals, commented: "We are excited with the overall progress as we remain well on track to achieve a record mineral processing year in 2022 at our Aguila Norte production plant. We generated excellent operating profits in the first half of the year, despite the fact that the plant primarily processed 3<sup>rd</sup> party mineral for a fee, an activity which represents the lowest level of potential profits. This is particularly encouraging given our move toward processing purchased material (an activity already underway during the current 3<sup>rd</sup> quarter) as well as eventually processing ore from our own joint or wholly owned mineral claims. Profit margins per tonne of material processed from purchased material and especially from our own claims are expected to be much higher compared to treating third party material. As such, the Company is focused on increasing revenues and operating profits by purchasing mineral for processing and to process mineral from our own properties. With respect to company-owned claims, we are initially focused on processing mineral from the 50% owned Au-Ag-Cu Palta Dorada property and have started the permitting process on additional 100% controlled concessions. With our improved operating performance, the Company is also continuing to improve its balance sheet without needing to cut any project generative work. In summary, we believe we remain well positioned as a junior mining company with a very unique approach and foundation by having our own production facility generating revenue and profits as well as owning valuable claims that we can develop to further leverage our key assets to drive increasing profitability and shareholder value."

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-tonne-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.

For further information on Peruvian Metals Corp. please visit [www.peruvianmetals.com](http://www.peruvianmetals.com).

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

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