

Hannanmetals

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NEWS RELEASE

OCTOBER 30, 2019

HANNAN METALS' FIRST MINING CONCESSION GRANTED AT SAN MARTIN, PERU

Vancouver, Canada – **Hannan Metals Limited** (“Hannan” or the “Company”) (TSXV: HAN) (OTCPK: HANNF) announces it has received notice from the Geological, Mining and Metallurgical Institute of Peru (“Ingemmet”) that the first mining concession at the San Martin Copper-Silver Project in Peru has been granted.

Highlights:

- First mining concession granted at the San Martin Project in Peru, titled Tabalosos 1002 (Ingemmet Code 01-03685-18) dated October 15, 2019;
- Under Peruvian mining law, a mining concession provides the holder with exclusive rights to undertake exploration (and mining activities subject to additional permitting) within a pre-determined area;
- The concession provides secure tenure and allows for more advanced social and exploration work programs to be executed including drill permitting;
- Further mining concessions are expected to be granted in the short term.

Michael Hudson, Hannan's CEO, states, *“The sediment-hosted copper-silver San Martin project presents a new basin-scale copper-silver district in Peru. Granting of the first mining concession is a key advancement and provides secure tenure which will allow for more advanced social and work programs to be executed, including drill permitting. We look forward to further developing trusted relationships with local communities during our upcoming exploration programs over this large project. The next technical steps include further geological and prospecting with an aim to achieving drill permitting in early 2020.”*

The San Martin Project is located about 30 kilometres northwest of Tarapoto, in the Cordillera Ayu Mayo. Hannan's mineral concession applications cover 76 kilometres of combined strike of a prospective sedimentary host horizon within a 110 kilometre long basin (Figure 1). Project access is excellent via a proximal paved highway, while the altitude varies between 800 metres to 1,600 metres in a region of high rainfall and predominantly forest cover. To date the company has submitted 50 mineral concession applications for a total of 38,600 hectares in three different project areas named Tabalosos, Gera and Sacanche over a 76 kilometre trend. The first granted claim, Tabalosos 1002, covers 1,000 hectares.

Hannan considers the sediment-hosted copper-silver San Martin project to be a new basin-scale copper (chalcocite) district. Initial prospecting over the last year identified high grade mineralization in outcrop and float with associated alteration across a 100km x 50km area. Best results from outcrop within a 20km trend include 3m @ 2.5% Cu and 22g/t Ag (LD190517-19) and 2m @ 5.9% Cu and 66g/t Ag (TC190536-38). Similar style of outcrop/boulders have been discovered over 100km of strike with mineralization observed at multiple stratigraphic levels spatially linked to salt structures.

Since the 1970's the area has principally been explored for petroleum, delivering large seismic datasets similar to those being used by Hannan for targeting of zinc in Ireland. Seismically-defined basin structures and stratigraphy are now being interpreted in the context of sediment-hosted copper mineralization.

Hannan's geological interpretation for the formation of the sediment-hosted copper and silver at San Martin is mineralization was deposited from low-temperature oxidised saline brines formed from the several hundred metre thick Pareni Salt Formation. The brines scavenged metals (principally copper ± silver and associated

lead and zinc) from the deeper Mitu Group red beds and volcanoclastics within in a failed Traissic rift. Circulation of saline fluids across the redox boundary was induced and focused by halokinesis (salt tectonics). Geological relationships suggest halokinesis was initiated during Jurassic rifting and was active until the early to mid-Cretaceous which coincides with the formation of an Andean foreland basin.

Under the Peruvian General Mining Law, the State retains the ownership of all mineral resources. However, the ownership of minerals is vested in the holder of a mining concession. Mining concession rights are independent from the surface and real estate rights. A mining concession provides the holder with exclusive right to undertake mining activities subject to additional permitting within a determined area. All holders of a mining concession are required to move into production and comply with the applicable minimum annual production thresholds within 10 years from granting. Other permits required to start mining activities in Peru include surface and access rights, environmental certification and permitting, construction, explosive, water resource permits and disposal of waste materials, amongst others.

Management of Hannan have significant prior experience in [Peru, which is the world's second largest copper producer](#). The country's copper output is forecast to increase from 2.5 million tonnes ("Mt") in 2018 to 3.8Mt by 2027, averaging 4.7% annual growth. Sediment-hosted deposits are the world's [second-most](#) important source of copper accounting for approximately 20% of world production.

About Hannan Metals Limited (TSX.V:HAN) (OTCPK: HANNF)



[Hannan Metals Limited](#) is a natural resources and exploration company developing sustainable and ethical resources of metal needed to meet the transition to a low carbon economy. Over the last decade, the team behind Hannan has forged a long and successful record of discovering, financing and advancing mineral projects in Europe and Peru.

Mr. Michael Hudson FAusIMM, Hannan's Chairman and CEO, a Qualified Person as defined in National Instrument 43-101, has reviewed and approved the technical disclosure contained in this news release.

On behalf of the Board,

"Michael Hudson"

Michael Hudson, Chairman & CEO

Further Information

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Forward Looking Statements

Certain information set forth in this news release contains "forward-looking statements", and "forward- looking information" under applicable securities laws. Except for statements of historical fact, certain information contained herein constitutes forward-looking statements, which include the Company's expectations regarding future performance based on current results, expected cash costs based on the Company's current internal expectations, estimates, projections, assumptions and beliefs, which may prove to be incorrect. These statements are not guarantees of future performance and undue reliance should not be placed on them. Such forward-looking statements necessarily involve known and unknown risks and uncertainties, which may cause the Company's actual performance and financial results in future periods to differ materially from any projects of future performance or results expressed or implied by such forward-looking statement. These risks and uncertainties include, but are not limited to: The Company's expectations regarding the granting of the claim applications in Peru, community relations, liabilities inherent in mine development and production, geological risks, the financial markets generally, and the ability of the Company to raise additional capital to fund future operations. There can be no assurance that forward-looking statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. The Company undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change except as required by applicable securities laws. The reader is cautioned not to place undue reliance on forward-looking statements.

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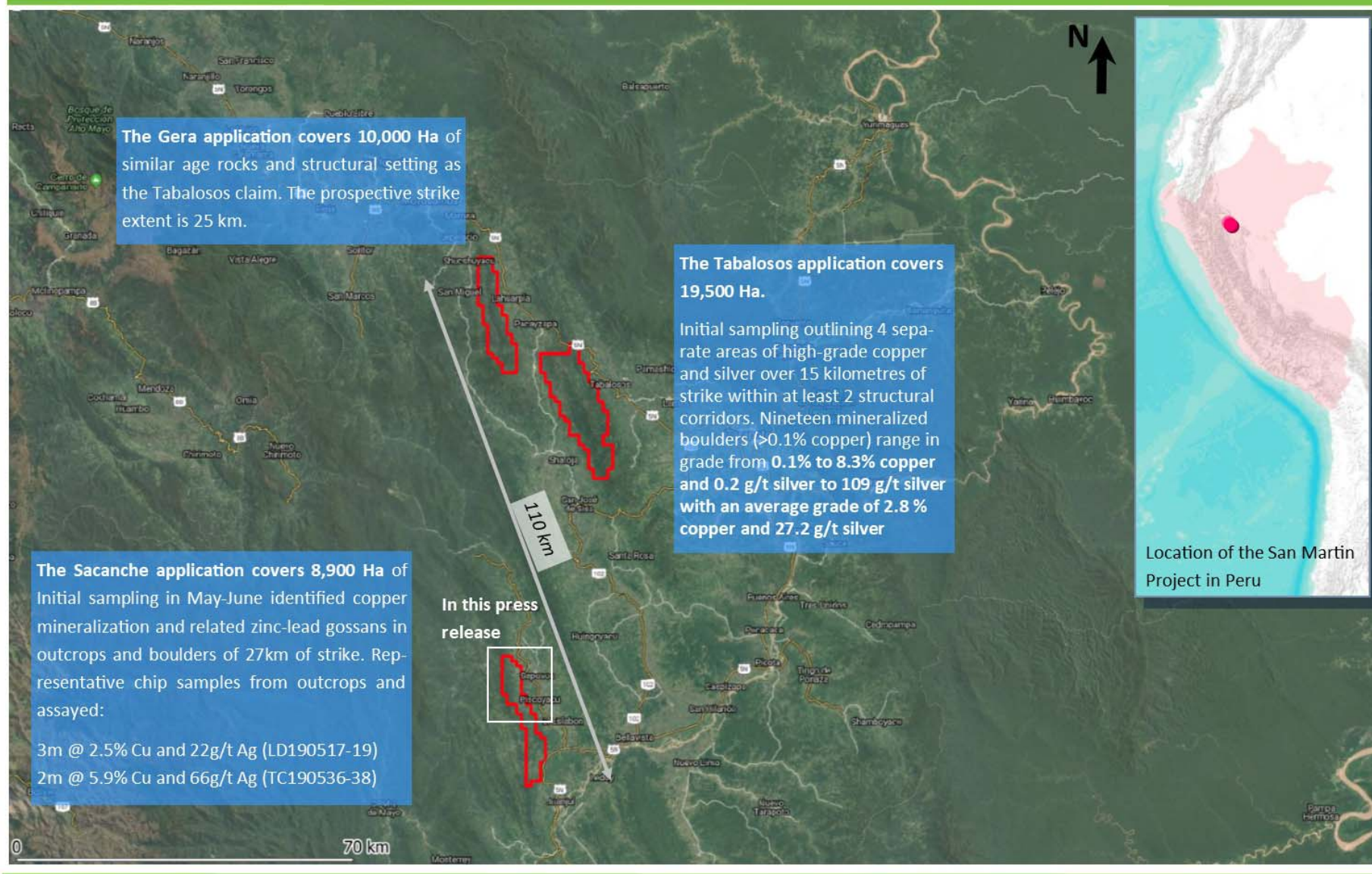


Figure 1. Overview of the San Martin sediment-hosted Cu-Ag project, Peru. Hannan’s mineral claim applications now cover 76 kilometres strike (38,400 hectares) of the prospective host horizon within a 110 kilometre long trend.