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NEWS RELEASE

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HANNAN IDENTIFIES NEW 2 KM LONG ZONE OF HIGH-GRADE COPPER SILVER MINERALIZATION AT THE SAN MARTIN PROJECT PERU

Vancouver, Canada – **Hannan Metals Limited** (“Hannan” or the “Company”) (TSXV: HAN) (OTCPK: HANNF) provides an update on its exploration and social programs at the 100% owned copper-silver San Martin Project in Peru. San Martin is a newly discovered, basin-scale high-grade copper-silver project that extends for 120 kilometres along the foreland region of the eastern Andes Mountains in Peru (Figure 1).

As reported [28 May 2020](#), Peru remains on a state of emergency until the end of June to contain the COVID-19 outbreak. From December 2019 through to mid-March 2020, Hannan completed an active field work program at its San Martin project in north eastern Peru. Numerous new copper and silver discoveries were made over a 20-kilometre trend within the 60 kilometre long Sacanche claim area (Figure 1). The first set of geochemical assays from some of these areas are reported here.

Highlights:

- A new 2-kilometre-long zone of high-grade copper-silver mineralization has been defined by mapping at the Nueva Esperanza prospect within the Sacanche claim:
 - Mineralization was located within three E-W creeks during follow up of previously reported outcrop and boulder samples that assayed [0.6m @ 8.7% Cu and 59 g/t Ag](#) and [30% Cu and 595 g/t Ag](#) respectively (fig 2 and 4);
- Best new results from boulders in adjacent creeks include **10.0% Cu and 70 g/t Ag** and **1.5% Cu and 31 g/t Ag** (Figure 2). A total of 25 boulders have been sampled at Nueva Esperanza, which average 1.9% Cu and 31 g/t Ag, and range from 0.0% Cu to 30.1% Cu and 0.04 g/t Ag to 595 g/t Ag. A total of 19 outcrop samples have been taken at Nueva Esperanza, which average 0.54% Cu and 4 g/t Ag, and range from 0.0% Cu to 8.7% Cu and 0.04 g/t Ag to 59 g/t Ag.
- The Nueva Esperanza zone remains open to the north, south and down dip and regional results suggest an inferred strike of the mineralized position is greater than 10 kilometres (Figure 3 and 5)
- Nueva Esperanza lies within a regional trend of previously reported outcrop samples from the Sacanche claim. Outcrop sampling 5 kilometres north of Nueva Esperanza returned high grade results including [2 metres @ 5.9% Cu and 66 g/t Ag](#) and sampling 16 kilometres south of Nueva Esperanza returned [3 metres @ 2.5% Cu and 22 g/t Ag](#) (Figure 1).

Michael Hudson, Hannan's CEO, states, *“While our exploration program delivers excellent discovery successes with copper and silver mineralization at all scales, the critical path for Hannan at San Martin has always been social permitting. We have a quarter of a century of operating experience in Peru, our directors have deep in-country experience, and we appreciate the great diversity of topography, climate, social groups and operating requirements across the country.*

Through professional and respectful social programs, the Company has gained field access during our first full exploration season at San Martin, and we are thankful for the support and working relationships that we have developed with all stakeholders. We look forward to releasing further results from this year's field programs and having our field teams return to the project area when it is safe and permitted to do so.”

Dr. Quinton Hennigh, an internationally-renowned economic geologist, with over 25 years of exploration experience and expertise with major gold mining companies such as Homestake Mining Company, Newcrest

Mining Limited, and Newmont Mining Corporation is a geological adviser to Hannan and visited the project in late February 2020.

Dr. Hennigh states, *"In late February prior to COVID-19 travel restrictions, I visited Hannan's San Martin Project. At the time, exploration crews were pushing their way into new areas where, day after day, they would return back from the field with new samples from new outcrops and boulders collected from along the prospective trend along which the redox boundary within the Sarayaquillo Formation outcrops. Assays from these samples demonstrate compelling evidence Hannan is likely dealing with a stratigraphically-controlled high-grade Cu-Ag system that is quite extensive. Combining this evidence with that from other explorers in this region who are seeing similar style mineralization extending northward across the border into Ecuador, it is starting to appear as though we are dealing with a basin wide mineralizing event."*

The mineralization found at Nueva Esperanza is hosted by the Sarayaquillo Formation where copper and silver are associated with widespread reduced facies at the top of a red bed sequence, where petrographic studies show copper sulphides replace both pyrite and organic material. Anomalous values of lead and cobalt discovered have been found in calcareous sandstone outcrop of the Cushabatay Formation with best results are 0.17% lead and 316 ppm cobalt (Figure 2 and 4). Channel samples are considered representative of the in-situ mineralization samples and sample widths quoted approximate the true width of mineralization, while grab (boulder) samples are selective by nature and are unlikely to represent average grades on the property.

Geological Discussion

The San Martin project is an early stage exploration project. Previous mineral exploration in the area is limited. Mobil first identified lead-zinc mineralization in the southern area in the early 1990s. RTZ conducted reconnaissance sampling in the southern and northern areas for one year in the late 1990's and drilled 3 diamond drillholes near the Mobil discovery in the transitional lead-zinc parts of the system in the south. A private Canadian company completed soil sampling and some geophysics during a one year period during 2009 in the southern project area. These data are not available to Hannan.

Hannan's in-depth regional geological understanding has been derived from the substantial data gathered during petroleum exploration activities undertaken in the Huallaga Basin since 1989. This data, which recently has been made publicly available, includes >2,000 kilometres of 2D seismic, 618 kilometres of geological traverses, 1,600 gravity stations, 13,000 kilometres of aeromagnetic surveys and >2,000 rock samples for geochemical and petrological studies. This information has provided Hannan a tremendous amount of data to guide exploration and support geological models.

According to the [USGS](#) the sediment-hosted copper mineralization style is subdivided into three sub-classes with different geologic features: 1. The reduced-facies class that includes deposits found in widespread reduced sedimentary rocks; 2. The red bed class that includes deposits in local areas of reduced rocks within red bed sequences; and 3. The Revett class based on deposits restricted to the Proterozoic Revett Formation in Montana and Idaho in the USA.

The San Martin project shares many characteristics with the reduced facies class that includes the Zechstein basin of Poland which hosts the vast Kupferschiefer copper-silver deposits. Both the Kupferschiefer and San Martin areas coincide with major crustal re-arrangement related to the break-up of Pangea and were located at favorable paleolatitudes for the formation of thick evaporitic strata. The San Martin Project lacks age dating of mineralization, but the geological record suggests a mineralization age that is late Jurassic to late Cretaceous.

On a basin scale, the San Martin Project exhibits district wide mineralization hosted in reduced sedimentary rocks covering at least 120 kilometres of strike and 50 kilometres of width. Mineralization is hosted by several different reduced lithologies close to a major basal redox boundary that coincides with the transition from the Jurassic to the Cretaceous period. The redox boundary is marked by an unconformity between Jurassic red beds and overlying grey to white reduced Cretaceous sandstones. The upper part of the red beds contain a regionally extensive sequence of finely laminated grey sandstones with bituminous material and pyrite, that ranges in thickness between 0.5 to 5 metres. The contact between the red beds and grey sandstone is also reduced and contains abundant disseminated to finely laminated pyrite (2-30%) over significant distances (kilometers) and widths (tens of meters).

At San Martin, mineralization is observed in reduced grey laminated rocks of the Sarayaquillo Formation and grey bituminous and pyritic sandstones, limestones and shales of Grupo Oriente (Cushabatay and Esperanza Formations). Several of these hosts are only known from boulders found over broad areas and therefore the geological data is preliminary in nature. However, it suggests that mineralization, like in the Kupferschiefer, is both stratabound and transgressive and different lithologies proximal to the major redox boundary are mineralized.

Mineralization also appears to be more favorably developed proximal to salt domes which are commonly intruded parallel to the axis of Jurassic-aged extensional basin faults. The salt domes have produced steep reverse faults, anticlines and stratigraphic pinch-out of mineralized units which in turn has been overprinted by Miocene age Andean orogenic deformation.

Sedimentary-hosted stratiform copper-silver deposits are among the two most important copper sources in the world, the other being copper porphyries. They are also a major producer of silver. According to the [World Silver Survey 2020](#) KGHM Polska Miedz's ("KGHM") three copper-silver sediment-hosted mines in Poland are the leading silver producer in the world with 40.2Moz produced in 2019. This is almost twice the production of the second largest producing mine. The Polish mines are also the sixth largest global copper miner and in [2018, KGHM produced 30.3 Mt of ore at a grade of 1.49% Cu and 48.6 g/t Ag](#) from a mineralized zone that averages 0.4 to 5.5 metres thickness.

Social Licensing

Hannan have been conducting a professional and respectful social program after its first petitorios mineros (claims) were granted in late 2019. Together with social teams, four geologists and support staff were working from January through to mid-March 2020 through the area when the COVID-19 lockdown took place. The Company has the support of various local stakeholders and overall, the Company has been well received by multiple levels of society in which we are working. Social work continues with local representatives working to educate and discuss the Company's ongoing plans with local stakeholders.

The project consists of a total of 87 mining concessions (mineros petitorios), [40 concessions which have been granted](#). None of the granted areas are located next to or inside protected nature reserve zones. Only three application areas (out of 87 concessions in total) are partially overlapped by protection areas, which will likely be excised or observed on granting. Within all Hannan's areas only a small percentage (4.7%) fall within indigenous areas, which are all located in the south of the Tabalosos area (Figure 6). Most of the prospective rock sequences in the Huallaga Basin have now been staked by Hannan and third-party companies (Figure 6).

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,

Further Information

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"Michael Hudson"

Michael Hudson, Chairman & CEO

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 timing to complete field work and outcome of results, the granting of the claim applications in Peru, the potential impact of epidemics, pandemics or other public health crises, including the current outbreak of the novel coronavirus known as COVID-19 on the Company's business, 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.

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 news

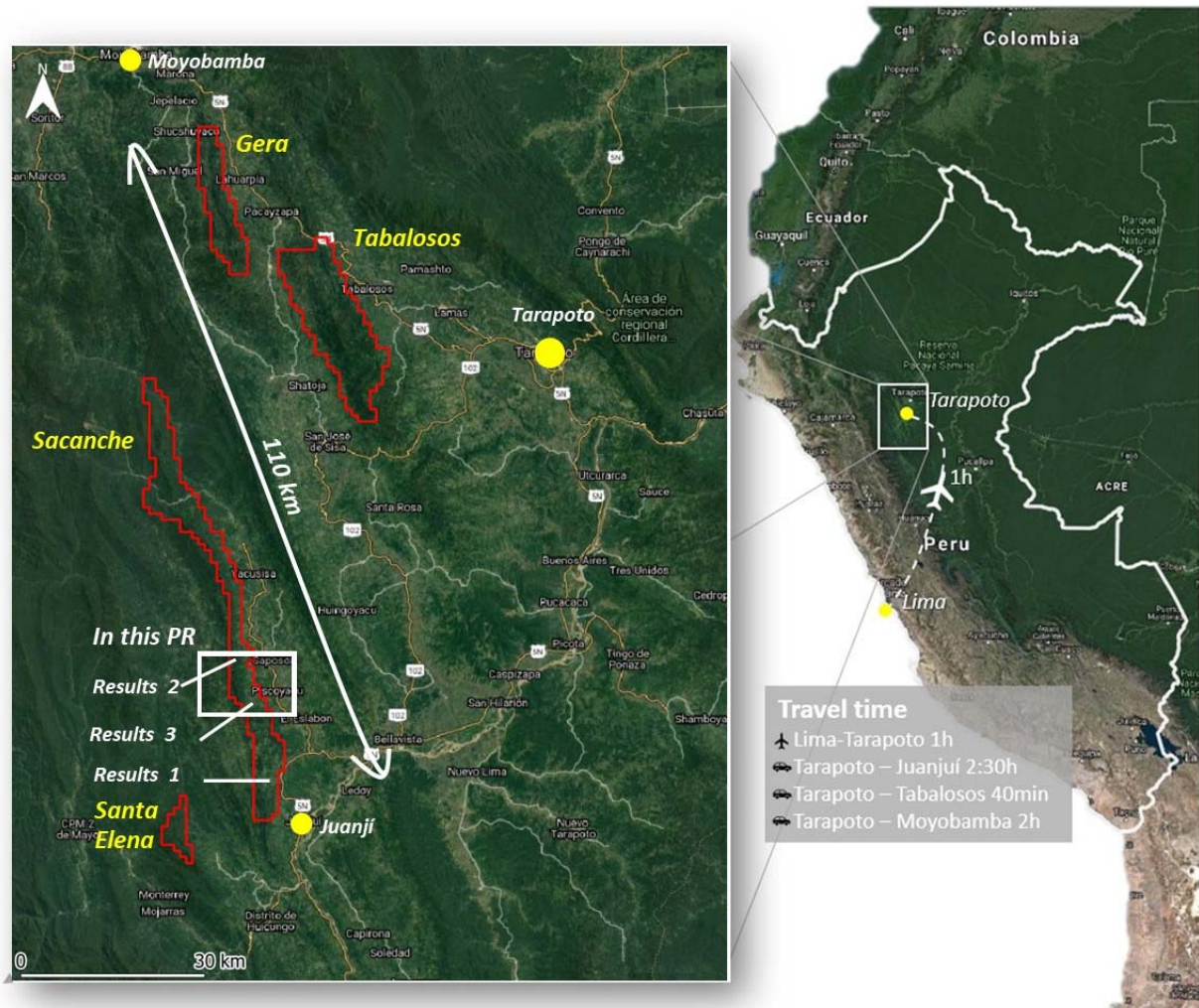


Figure 1. Overview of the San Martin sediment-hosted Cu-Ag project, Peru. The four project areas now cover 65,600 hectares of the prospective host horizon within a 110 kilometre long trend. Best results include:

Sacanche results:

Chip samples from outcrops across bedding

- 1) 3m @ 2.5% Cu and 22 g/t Ag (LD190517-19)
- 2) 2m @ 5.9% Cu and 66 g/t Ag (TC190536-38)
- 3) 0.6m @ 9.0% Cu and 59 g/t Ag (TC190519)

Tabalosos:

Initial sampling outlining 4 separate areas of high-grade copper and silver over 15 kilometres of strike within at least 2 structural corridors. Nineteen mineralized boulders (>0.1% copper) range in grade from 0.1% to 8.3% Cu and 0.2 g/t to 109 g/t Ag with an average grade of 2.8% Cu and 27.2 g/t Ag

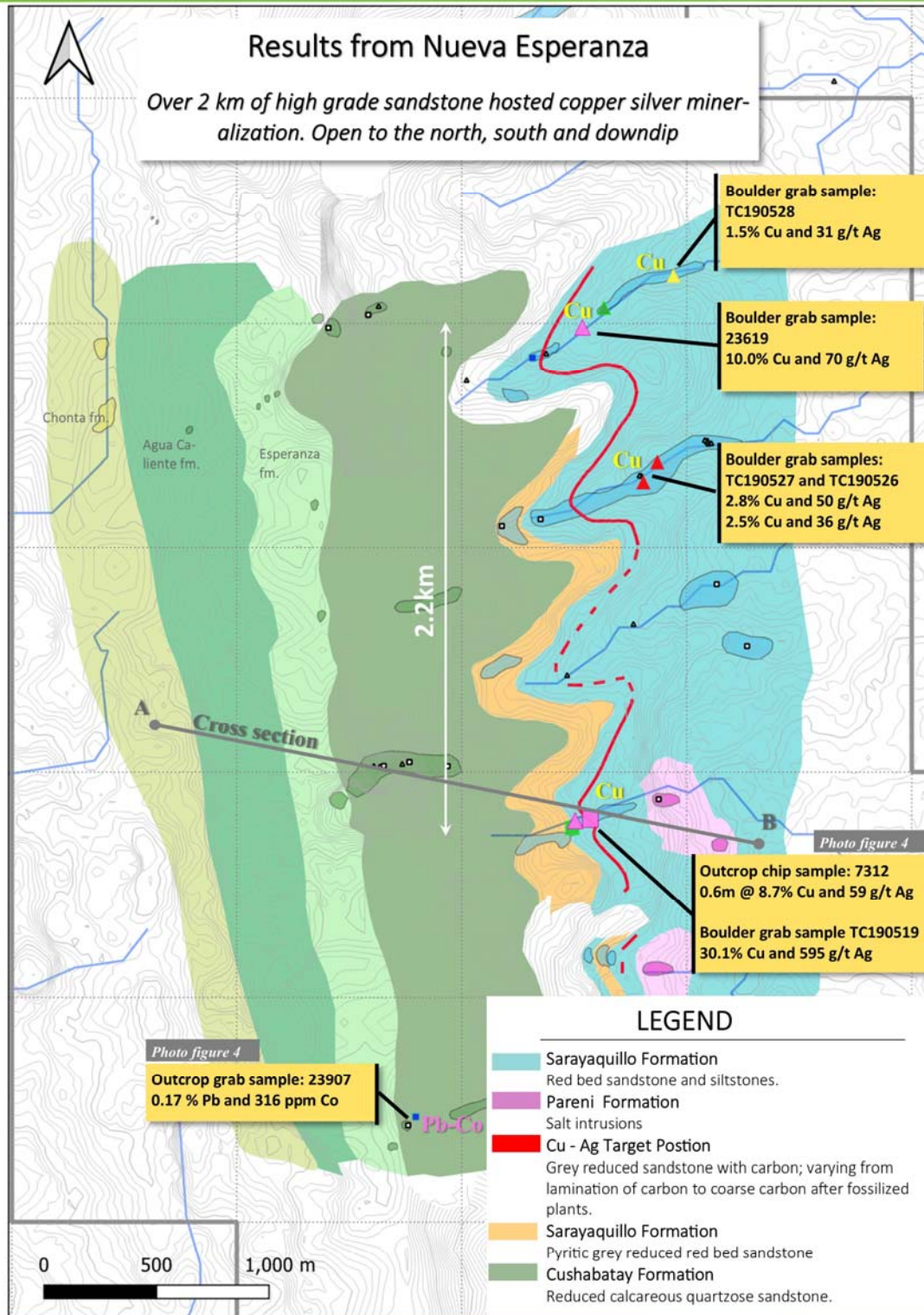


Figure 2. Results from detailed mapping at Nueva Esperanza, north Sacanche claim, Saposoa district. Over 2km of high-grade sandstone hosted copper silver mineralization has been discovered to date. The zone remains open to the north, south and downdip.

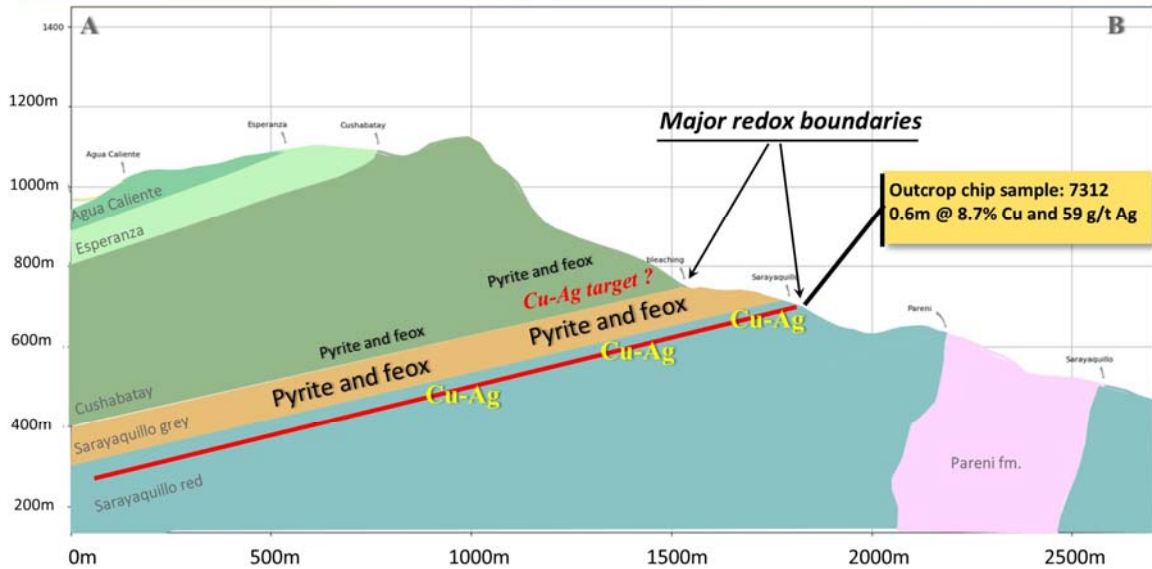


Figure 3. Cross section A-B from Figure 2. Vertical to Horizontal scale is 1:1

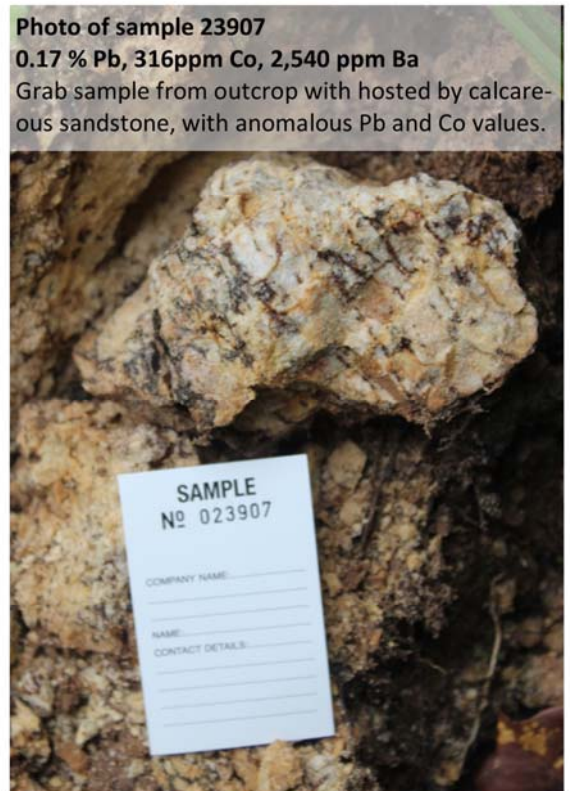
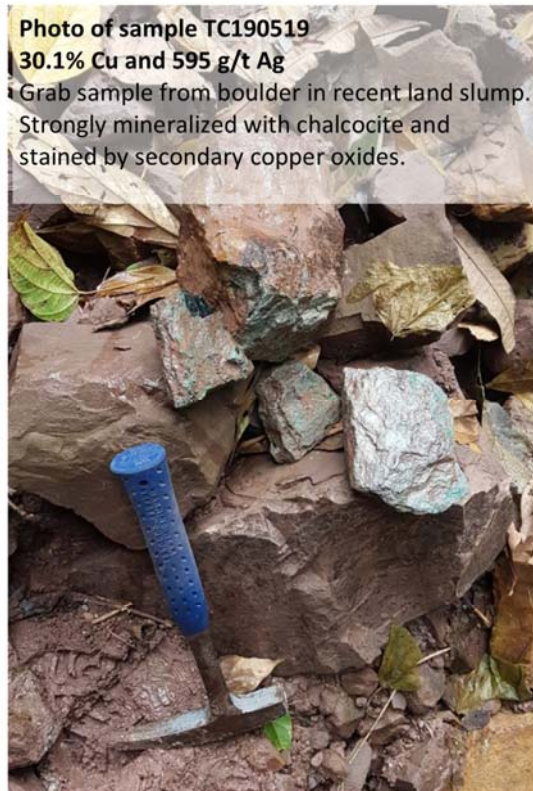


Figure 4. Photos of selected rock samples.

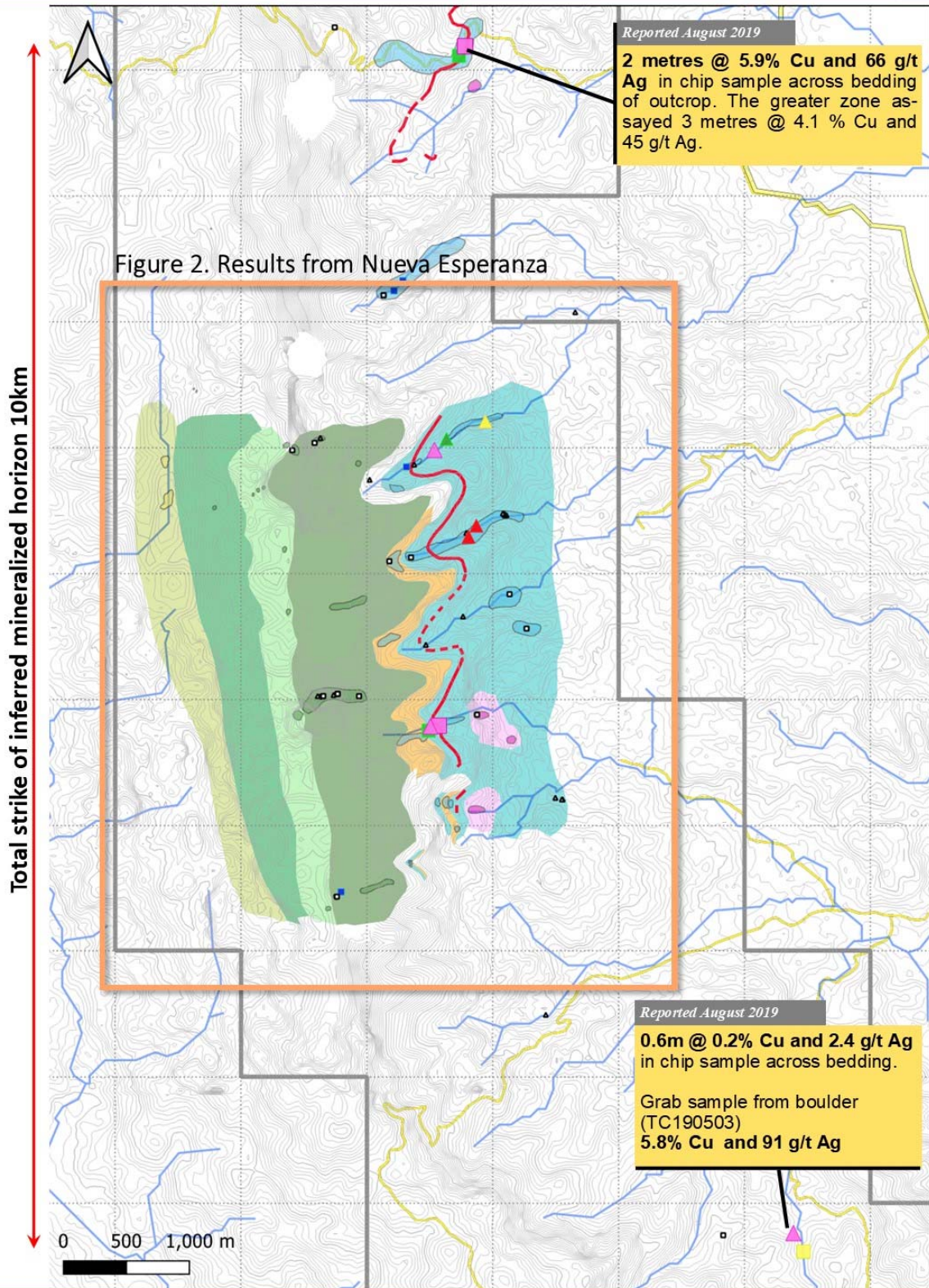


Figure 2. Results from Nueva Esperanza

Figure 5. Overview of key exploration results and geological interpretation from Sacanche North, district of Saposoa. Detailed mapping and prospecting outlined a >2km long high grade Cu-Ag mineralized level in the Sarayaquillo Formation. Exploration results suggest that the zone continues to the north and south where more high grade boulders and outcrop have been discovered.

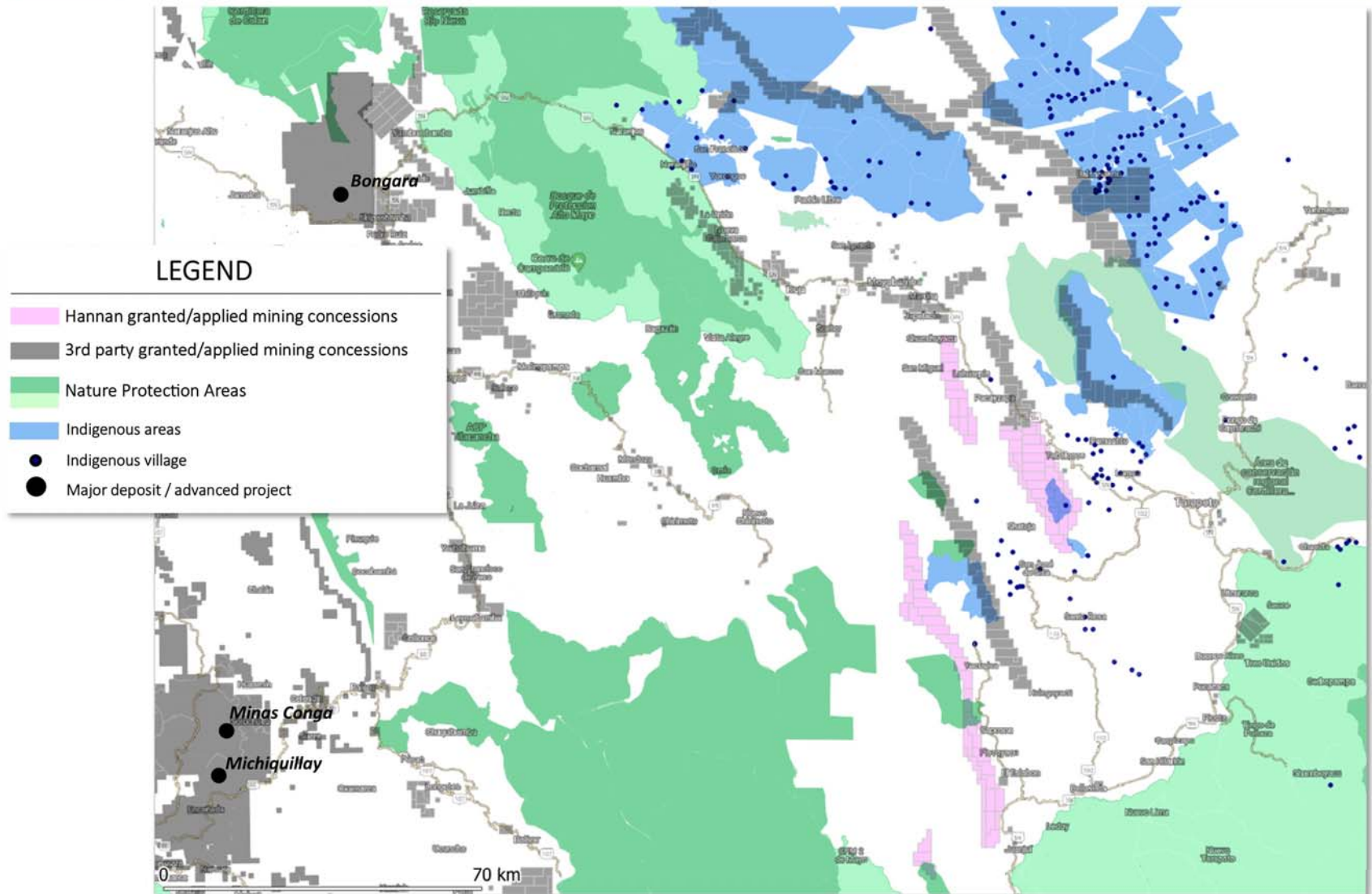


Figure 6. Overview of mining concessions, nature protection areas and indigenous land in the Huallaga basin and adjacent areas. All data from INGEMMET and SERFOR.