

# Hannanmetals

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NEWS RELEASE

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## HANNAN SAMPLES 0.8 METRES @ 2.8% COPPER AND 14 G/T SILVER FROM NEW COPPER-SILVER ZONE AT THE SAN MARTIN PROJECT IN PERU

Vancouver, Canada – **Hannan Metals Limited** (“Hannan” or the “Company”) (TSXV: HAN) (OTCPK: HANNF) provides assay results from a new copper-silver discovery located 2 kilometres south from known mineralization at Hannan’s 100% owned Sacanche mining concessions at the San Martin sediment-hosted copper-silver project in Peru (Figure 1).

### Highlights:

- Results from 5 separate outcrops sampled over 400 metres of strike have been received from a new discovery area. New results include:
  - 0.2 metres @ 6.9% copper and 32 g/t silver (partially sampled);
  - 2.5 metres @ 0.8% copper and 14 g/t silver (one bulk sample);
  - 0.8 metres @ 2.8% copper and 14 g/t silver (partially sampled);
- Additional systematic sampling is required to determine the full width of mineralization (Figures 2, 5 and 6). The new results are located 2 kilometres south of a previously reported channel sample that assayed 3 metres @ 2.5% copper and 22 g/t silver including 0.5 metres @ 4.4% copper and 61 g/t silver at a 1% copper lower cut (Figure 2);
- The style of copper and silver mineralization and the stratigraphic position is consistent with previously defined copper silver mineralization found at the top of the Sarayaquillo Formation within the 110 kilometres of strike of Hannan’s 100% owned mining concessions;
- Mapping of outcrops and boulders in creeks now define a zone that shows a level of continuity at multiple points over 2 kilometres (Figure 5) in the southern Sacanche mining concession area;
- The analogue style for mineralization at San Martin is the Kupferschiefer in Poland where KGHM Polska Miedz’s (“KGHM”) three copper-silver sediment-hosted mines are the 6<sup>th</sup> largest copper producer and the leading silver producer in the world. In 2018 KGHM produced 30.3 Mt of ore at a grade of 1.49% copper and 48.6 g/t silver from a mineralized zone that averages 0.4 to 5.5 metres thickness.

Michael Hudson, CEO, states: *“Demonstrating continuity of mineralization at multiple points within a 2 kilometre trend over potentially economic widths is the key next step in the evolving definition of the basin-scale sediment-hosted stratiform copper-silver system at San Martin. Although exploration remains at its early stages, the predictability and continuity of grades at these scales is considered an extremely positive development.”*

Mineralization is located in the western fold limb of an open asymmetrical anticline which dips 25 degrees to the west (Figure 3 and 4). The new discoveries are located immediately upstream from a creek where 10 mineralized grab samples from boulders assayed between 5.0% copper and 36 g/t silver to 0.4% copper and 3.9 g/t silver, and averaged 2.7% copper and 16.9 g/t silver. In addition, a new reduced host rock was discovered stratigraphically higher than reported above. The exposed zone was leached, 1 metre wide with minor copper oxides and assayed 1 metre @ 0.1% Cu (Figure 2). 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.

Field discoveries were made in the days before field work was suspended due to the Covid-19 lockdown during mid-March. Samples were submitted to a geochemical laboratory in Lima last week. Therefore, systematic sampling and trenching over the new discovery area has not yet been carried out. The most strongly mineralized part of the host rock is only observed in 3 out of 5 outcrops (Figure 5). Further systematic sampling and mapping of the mineralized sequence to the south and north will recommence over the short term when it is deemed safe for field teams and all stakeholders.

Sediment-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% copper and 48.6 g/t silver from a mineralized zone that averages 0.4 to 5.5 metres thickness.

**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**

[www.hannanmetals.com](http://www.hannanmetals.com)

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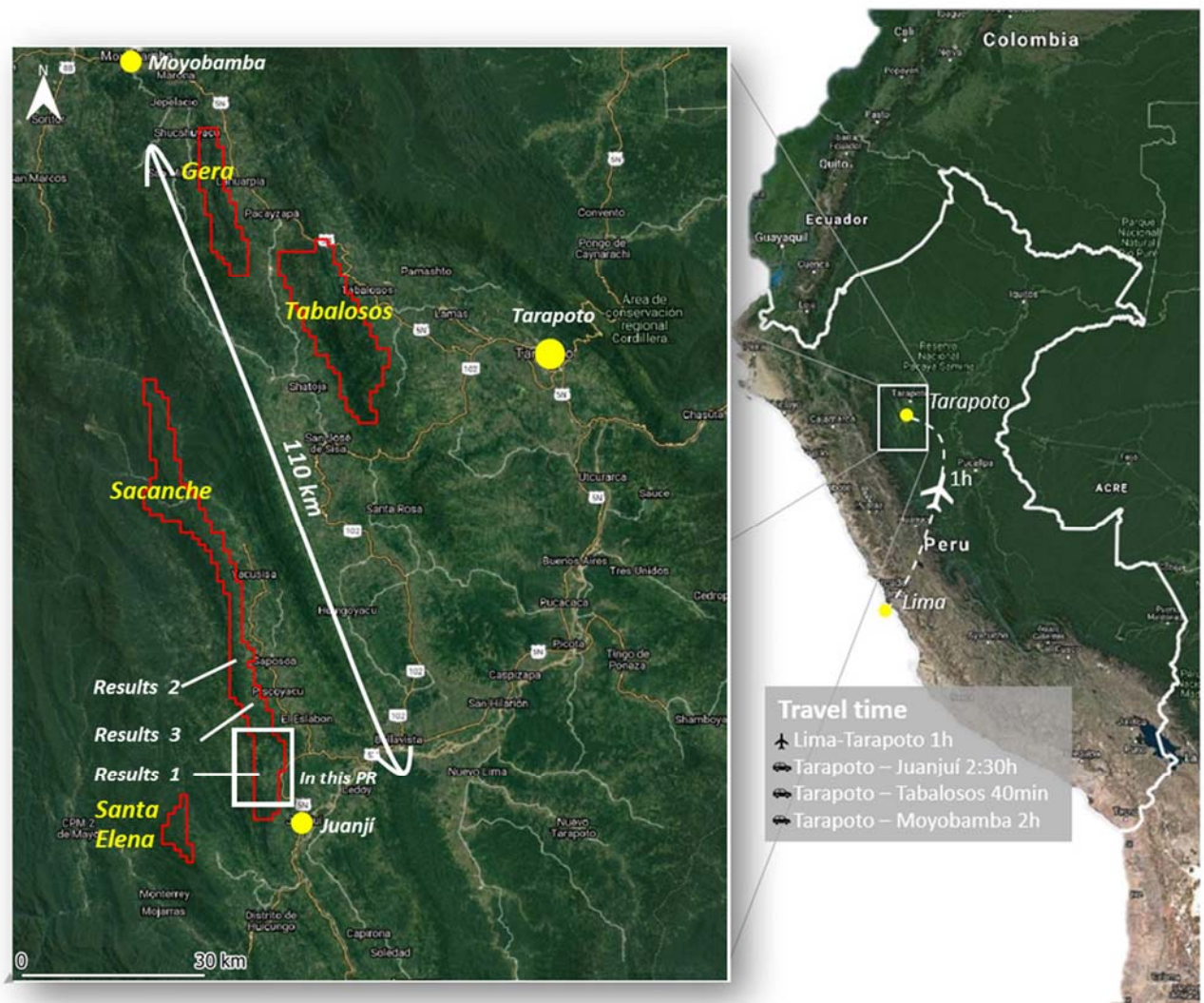
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**Forward Looking Statements**

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 timing to complete field work and outcome of results, 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, the granting of 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 copper-silver 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 copper-silver results:**

*Channel samples from outcrops across bedding Sarayaquillo Formation—reduced facies host*

- 1) 3m @ 2.5% Cu and 22g/t Ag (LD190517-19)
- 2) 2m @ 5.9% Cu and 66g/t Ag (TC190536-38)
- 3) 0.6m @ 9.0% Cu and 59g/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% copper and 0.2 g/t silver to 109 g/t silver with an average grade of 2.8 % copper and 27.2 g/t silver*

## Assay results Sacanche South

Three mineralized outcrops discovered 400m apart and 2km south of previously know copper silver mineralization

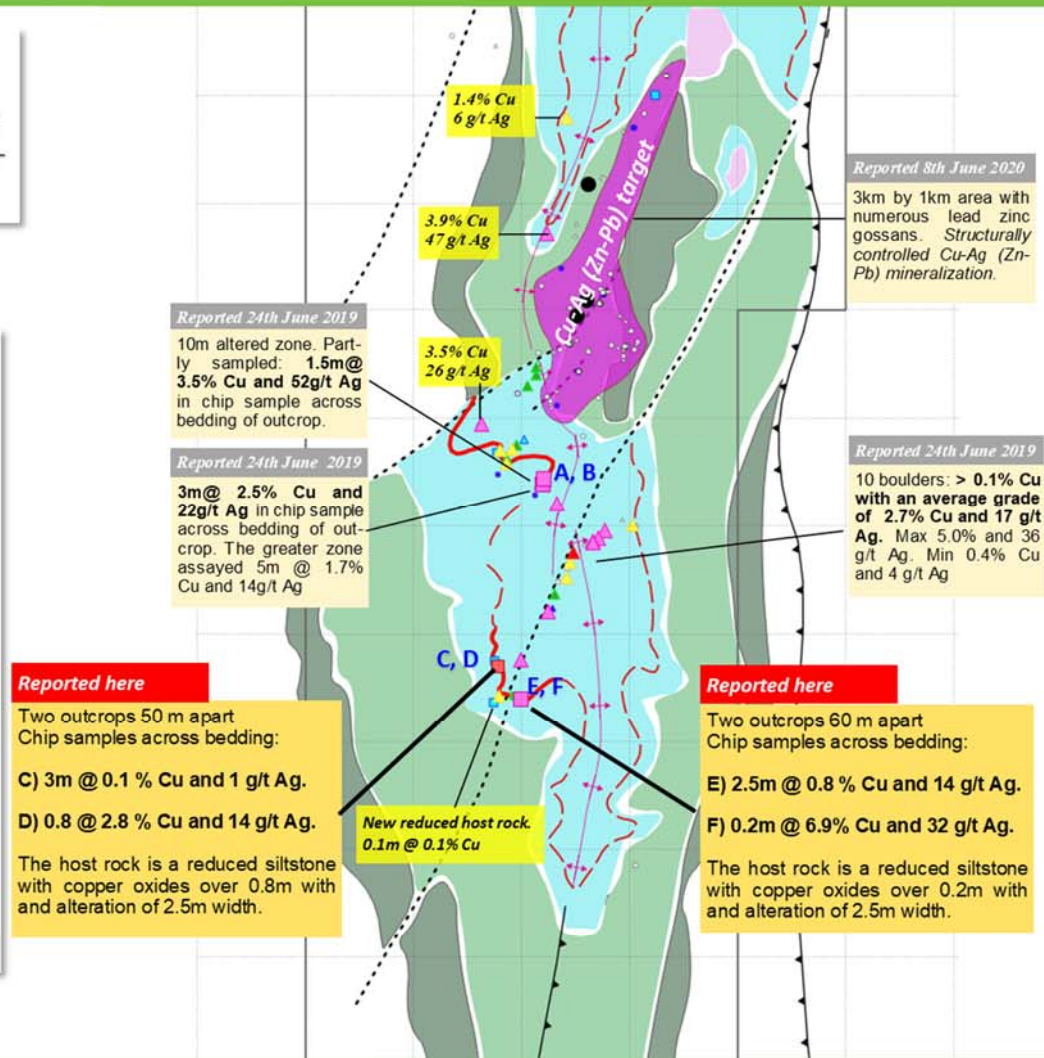
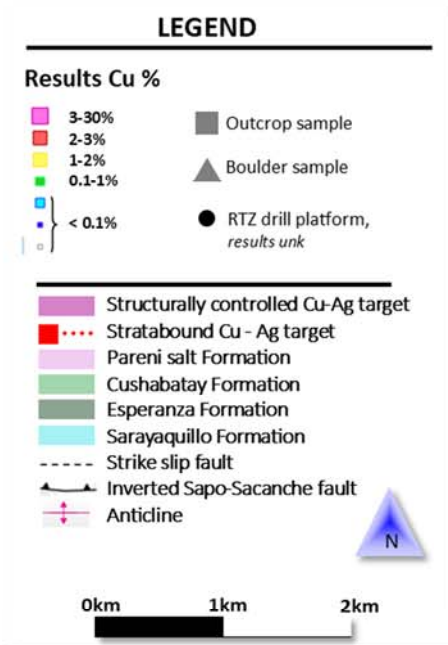


Figure 2. Assay results from new outcrops discovered 2km south of previously reported copper silver mineralization.

Summary of key copper results in outcrops and boulders from Sacanche

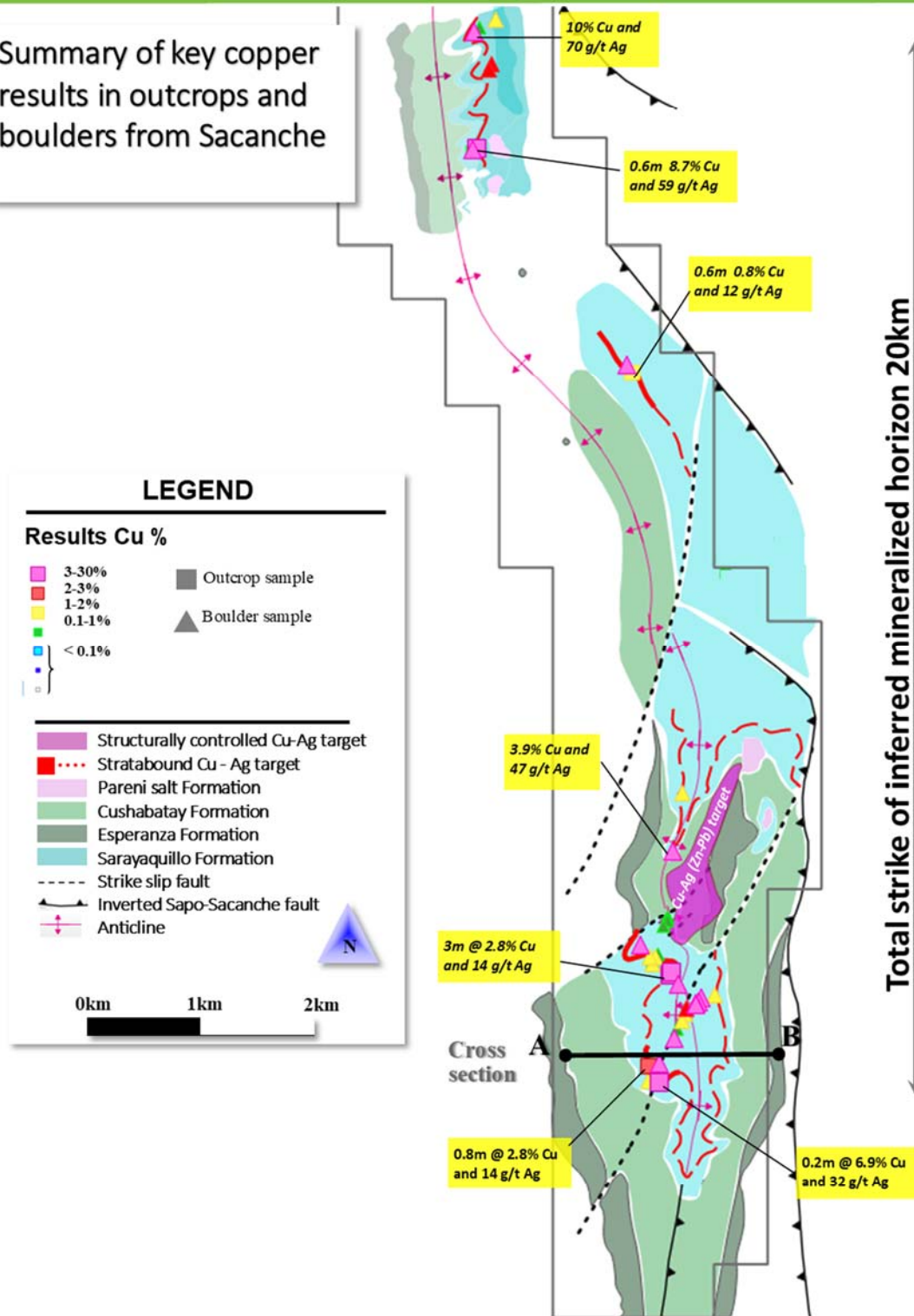


Figure 3. Overview of key exploration results and geological interpretation from Sacanche South to the Nueva Esperanza zone which is located 20 km to the north. The cross section A-B is shown in Figure 4.

## Cross section A-B from Sacanche South

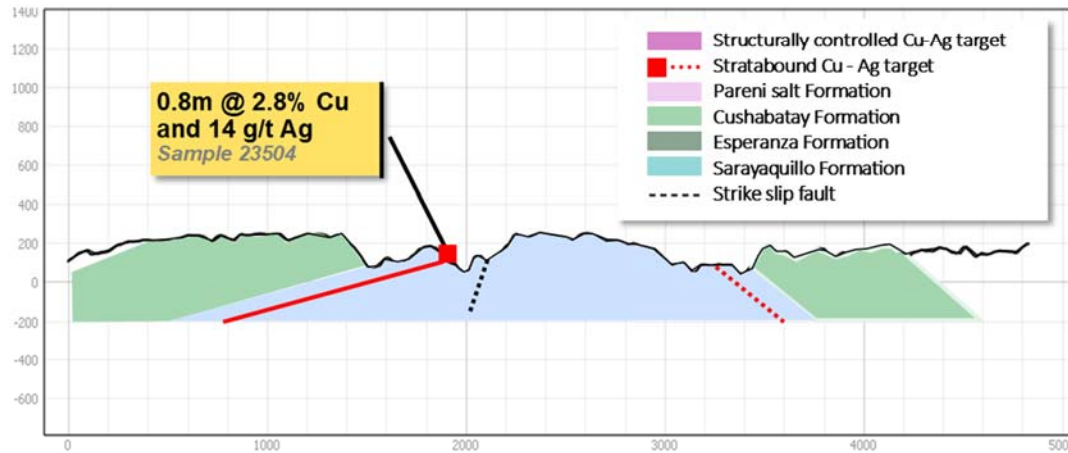
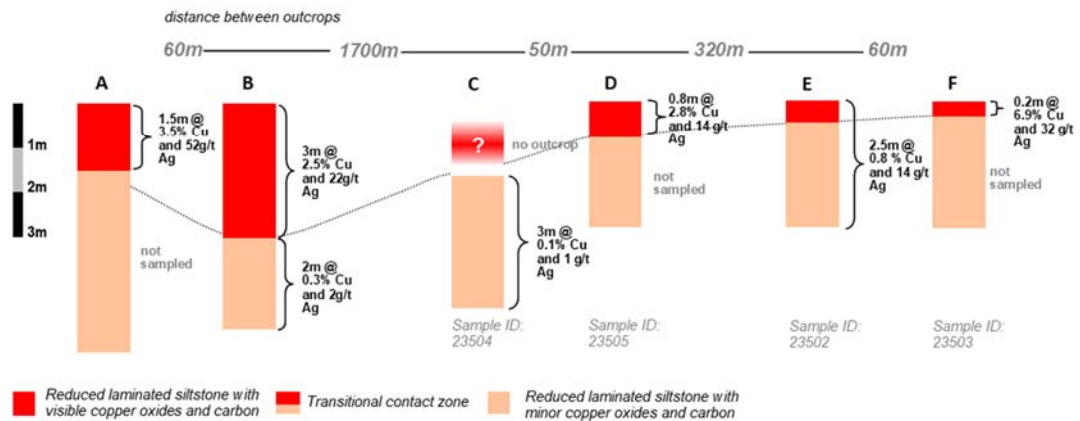


Figure 4. Cross section A-B from Figure 2. Vertical to Horizontal scale is 1:1

## Correlation between stratabound copper silver mineralized outcrops at Sacanche South



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Figure 5. Correlation between stratabound copper silver mineralized outcrops at Sacanche South. The letters A, B, C etc relates to the outcrop locations in Figure 2.



Photo of Outcrop D. The width of the zone with visible copper oxides assayed 0.8 metres @ 2.8% copper and 14 g/t silver (the zone is partially sampled and needs further sampling on the margins)



Photo of Outcrop E. The entire reduced zone assayed 2.5 metres @ 0.8% copper and 14 g/t silver (one bulk sample taken across entire zone)

Figure 6. Field photos of the new copper-silver discovery.