

# Hannanmetals

1305 – 1090 West Georgia Street, Vancouver, BC, V6E 3V7  
Phone: +1 604 685 9316 / Fax: +1 604 683 1585

NEWS RELEASE

JUNE 24, 2019

## HANNAN SAMPLES 3 METRES @ 2.5% COPPER AND 22 g/t SILVER IN OUTCROP. MINERALIZATION DEFINED OVER 7 KILOMETRES AT SACANCHE, PERU

Vancouver, Canada – **Hannan Metals Limited** (“Hannan” or the “Company”) (TSXV: HAN) (OTCPK: HANNF) announces first field results from the Sacanche area of the San Martin sediment-hosted copper-silver project in north-central Peru. Sacanche (Figure 1) is located 80 kilometres south of Tabalosos, where Hannan has previously sampled high grade copper-silver [mineralization](#).

### Key points:

- Prospecting at Sacanche over the past month discovered multiple stratigraphic levels of copper and zinc-lead mineralization in outcrop and boulders **over 7 kilometres** of strike;
- Detailed mapping and sampling of copper-mineralized outcrops was completed over 1 kilometre of strike, with highlight rock chip panel sampling results including (Figures 2, 3 and 5):
  - **3 metres @ 2.5% copper (“Cu”) and 22g/t silver (“Ag”);**
- Two areas of high-grade copper and silver have been found over **3.5 kilometres** within creeks at the Sacanche claim application area. Ten grab samples from mineralized float in riverbeds (>0.1% copper) ranged in grade from 0.4% to 5.0% copper and 4 g/t to 33 g/t silver and **averaged 2.7% copper and 17 g/t silver;**
- A **>50-metre-wide gossanous zinc-lead outcrop** that was discovered with over 50 metres strike length. Four grab samples from different parts of the outcrop ranged in grade from 0.1% to 2.4% zinc (“Zn”) and 0.2% to 1.0% lead (“Pb”) and **averaged 1.0% zinc and 0.7% lead** (Figures 2, 4 and 7);
- An exploration team will be stationed at the San Martin project until late September exploring the vast land holding.

Michael Hudson, Hannan’s CEO, states, *“In our first month of prospecting at Sacanche, we have discovered a new zone of sediment hosted copper mineralization over 7 kilometres of strike. We are encouraged by the first discovery of high-grade copper in outcrop and thick (>50 metre wide) lead-zinc gossans on the project. This is an important proof of concept in defining potential for a large high-grade mineral system. Importantly, we interpret a zonation between lead-zinc and copper rich areas and observe mineralization formed at multiple stratigraphic levels. Field work continues and results will follow.”*

During May and early June 2019, Hannan’s exploration team prospected 8 kilometres of the 24-kilometre-long Sacanche claim application. Sixty-seven rock samples from outcrops and boulders and 37 stream sediment samples have been analysed and are reported here. Copper mineralization and related zinc-lead gossans in outcrop and boulders have been mapped across greater than 7 kilometres of strike at Sacanche.

Data from field mapping is being interpreted, however distinctive characteristics have emerged including:

- 1) Mineralization forms at multiple levels within a 1,000-metre-thick stratigraphic package;
- 2) Mineralization is spatially linked to salt structures, and
- 3) Both copper-silver and zinc-lead are interpreted to relate to one mineralizing system, where zinc-lead deposited distal to copper mineralization, implying potential for additional copper mineralization hosted by grey sandstones of the upper Grupo Oriente.

Highlights from channel sampling of outcrops include **3 metres @ 2.5% copper ("Cu") and 22 g/t silver ("Ag")** including 0.5 metres @ 4.4 % copper ("Cu") and 61 g/t silver ("Ag") at a 1% copper lower cut. At a lower cut-off, the zone assayed 5.0 metres @ 1.7% Cu and 14 g/t Ag. A second area 60 metres away assayed **1.5 metres @ 1.0 % Cu and 52 g/t Ag**, however only partial sampling was possible and the width of mineralization remains unknown.

A **>50 metre wide gossanous zinc-lead outcrop** was discovered with over 50 metres strike. Four grab samples from different parts of the outcrop ranged in grade from 0.1% to 2.4% zinc ("Zn") and 0.2% to 1.0% lead ("Pb") and **averaged 1.0% zinc and 0.7% lead** from (Figures 2, 4 and 7). Field indications suggest that the gossanous zone may continue intermittently over 5 kilometres of strike.

While most copper mineralized boulders located during creek prospecting can be correlated to the stratiform copper mineralization style discovered in outcrop, mineralized boulders in the south of the project include diverse lithologies suggesting copper targets exist which have not yet been located in outcrop (Figures 2, 3 and 6). Creek sampling by Hannan on the Sacanche claim application outlined 2 areas of high-grade copper and silver over 3.5 kilometres of strike. Ten grab samples from mineralized float in riverbeds (>0.1% copper) ranged in grade from 0.4% to 5.0% copper and 4 g/t to 33 g/t silver with an average grade of 2.7% copper and 17 g/t silver. These results are of similar tenor to those achieved by Hannan in creeks some 80 kilometres to the north in the Tabalosos claim area where 19 grab samples from mineralized float (>0.1% copper) ranged 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 g/t silver.

Channel samples are considered representative of the in-situ mineralization samples and sample widths quoted approximate the true width of mineralization, rock chip panel sampling is considered moderately representative of in-situ mineralization while grab samples are selective by nature and are unlikely to represent average grades on the property.

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

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

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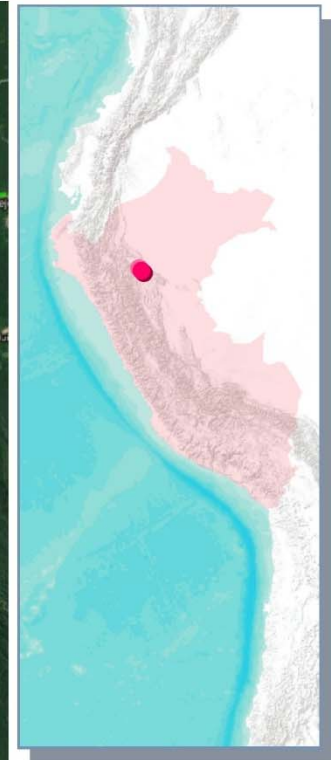
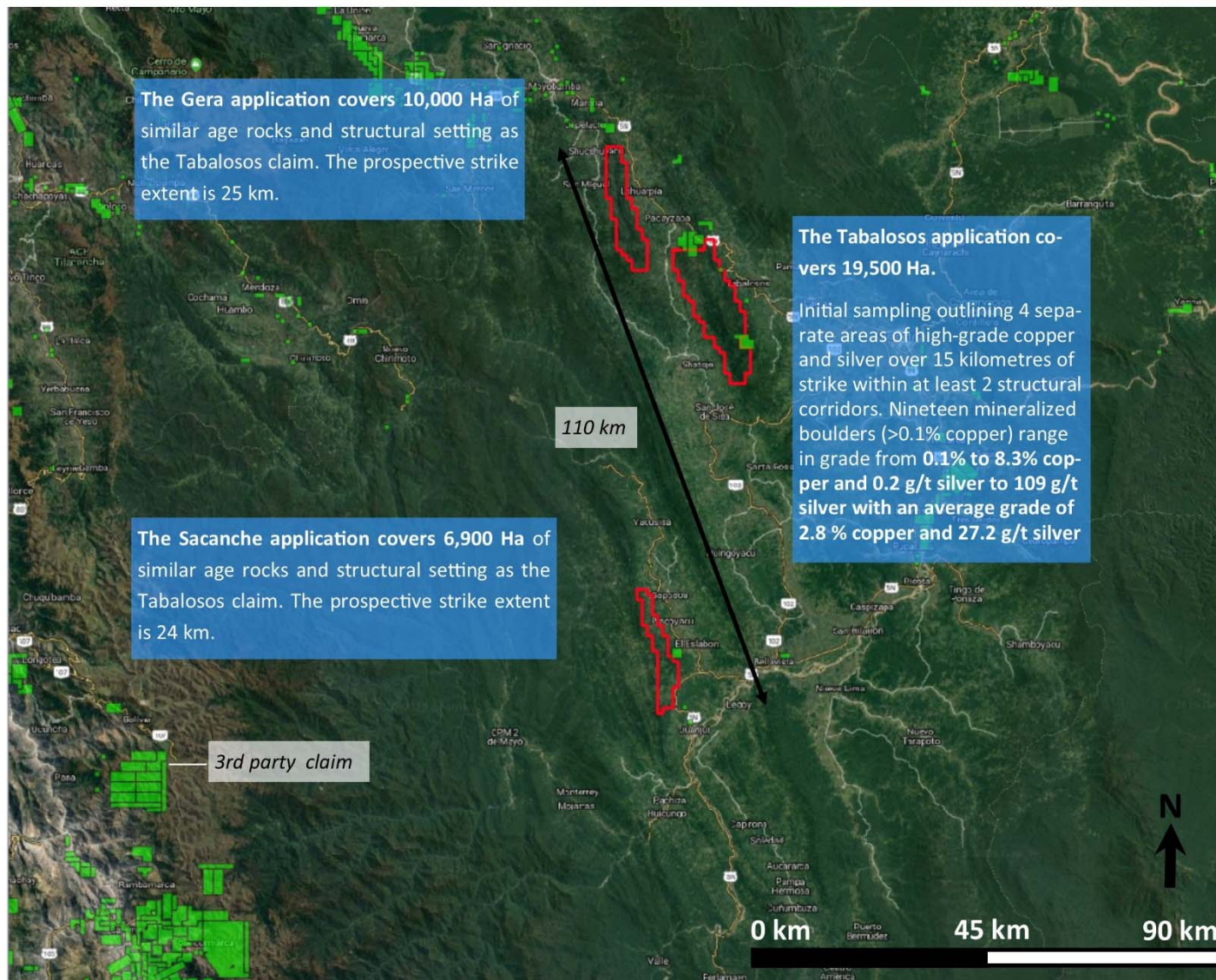
Mariana Bermudez, Corporate Secretary,

+1 (604) 685 9316, [info@hannanmetals.com](mailto:info@hannanmetals.com)

#### 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, 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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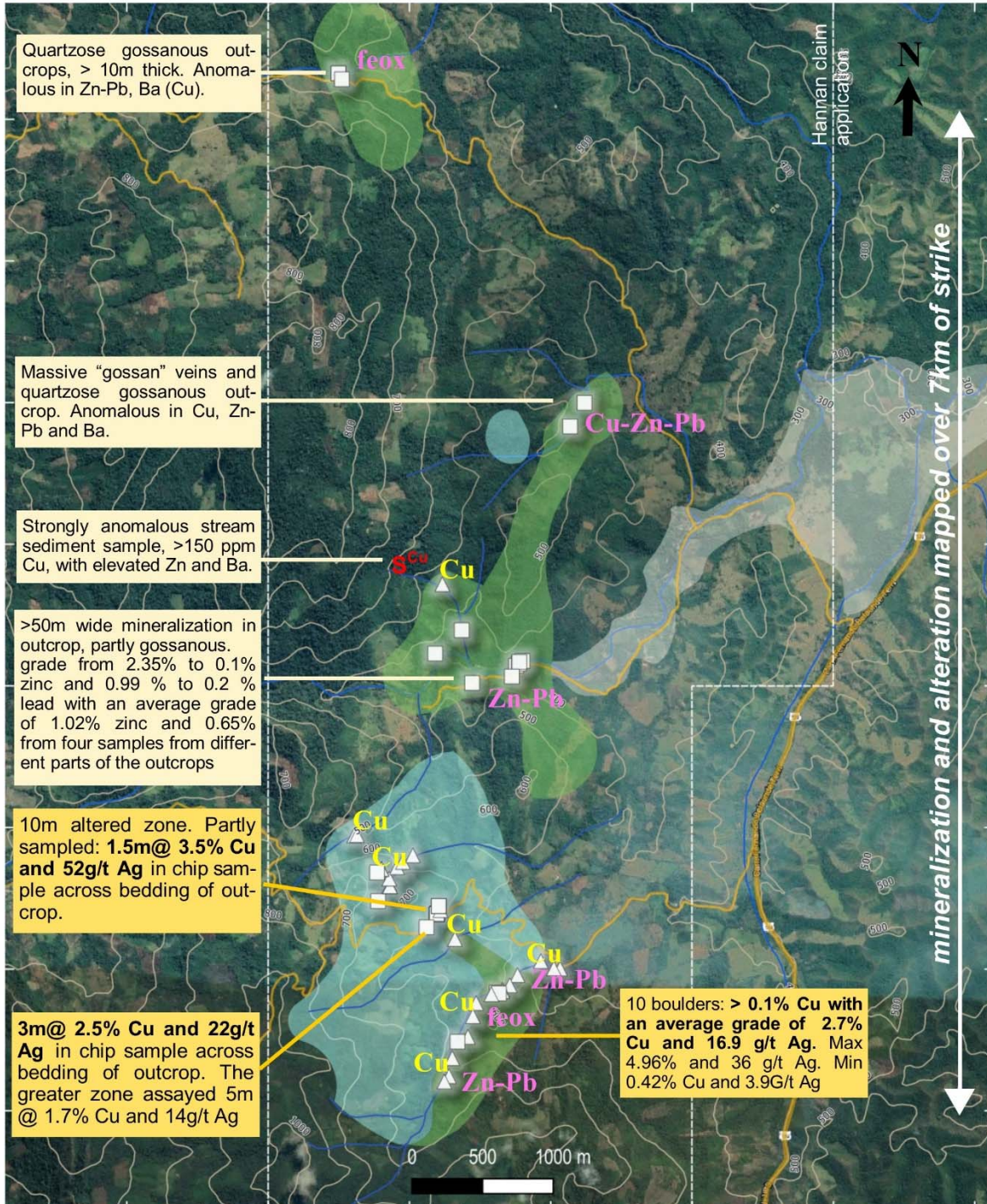


Location of the San Martin Project in Peru

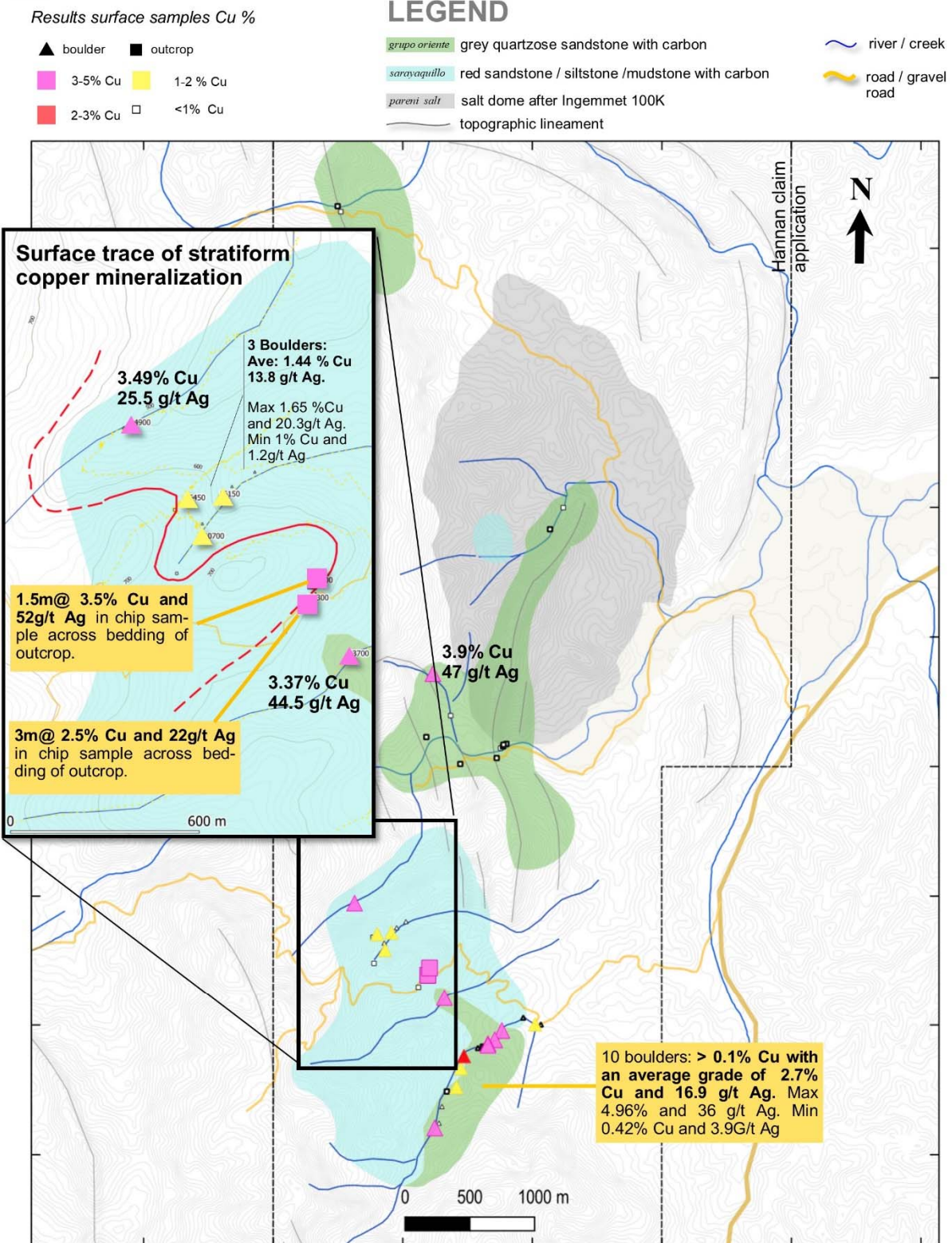
**Figure 1.** Overview of the San Martin sediment-hosted Cu-Ag project, Peru. Hannan’s mineral claim applications now cover 76 kilometres strike (35,400 hectares) of the prospective host horizon within a 110 kilometre long basin.

## LEGEND

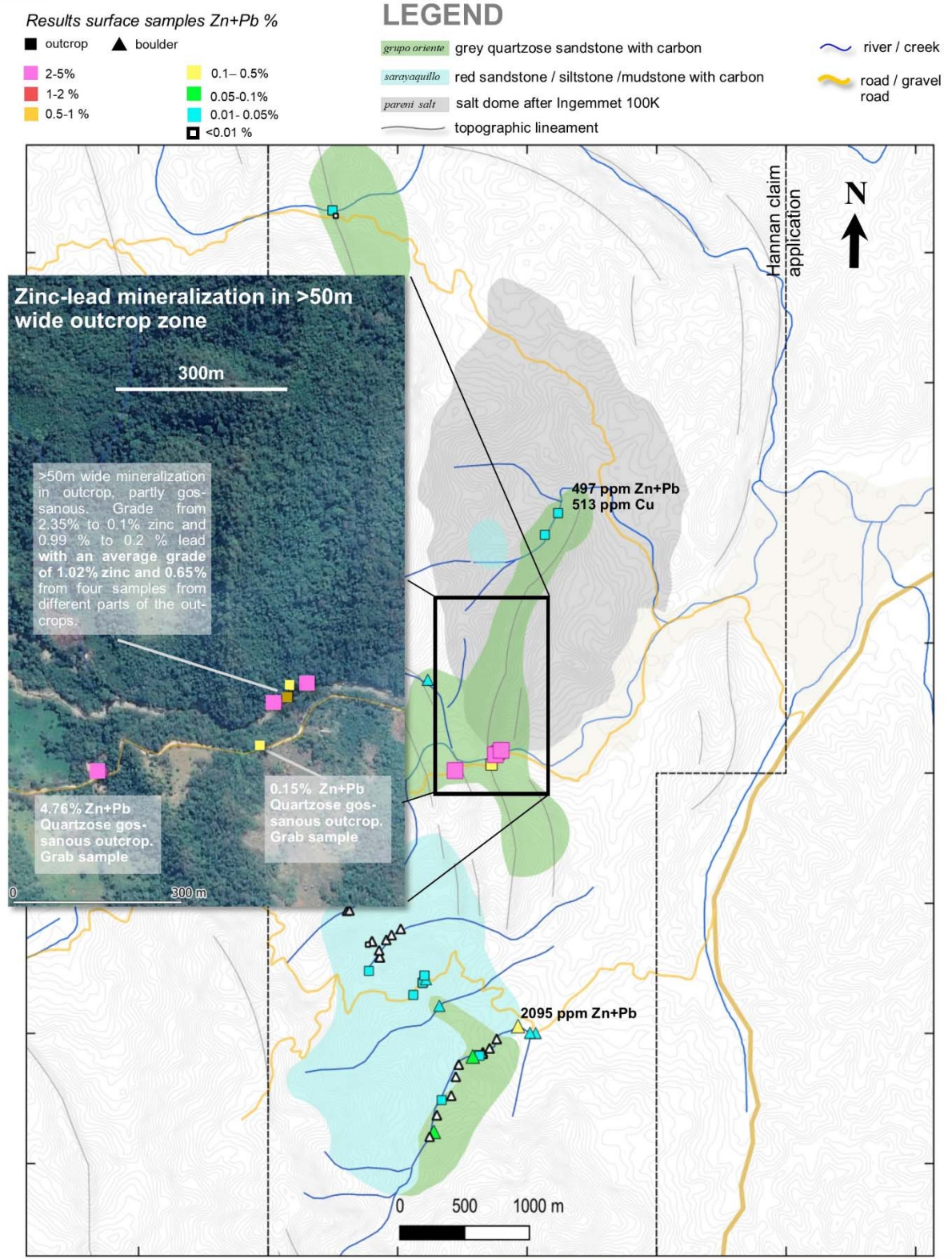
- outcrop sample
- ▲ boulder sample
- SCu** significant stream sediment anomaly
- feox** sample of quartzose gossan
- Zn-Pb-Cu** quartzose gossan with base metals
- Cu** copper mineralized sample
- grupo oriente** grey quartzose sandstone with +/- carbon
- sareyaquillo** red sandstone / siltstone / mudstone +/- carbon
- river / creek
- road / gravel road



**Figure 2.** Mineralization and alteration has been mapped over 7km of strike at the southern part of Sacanche. The preliminary field and assay results is interpreted to reflect a metal zonation typical for sediment hosted copper mineralization.



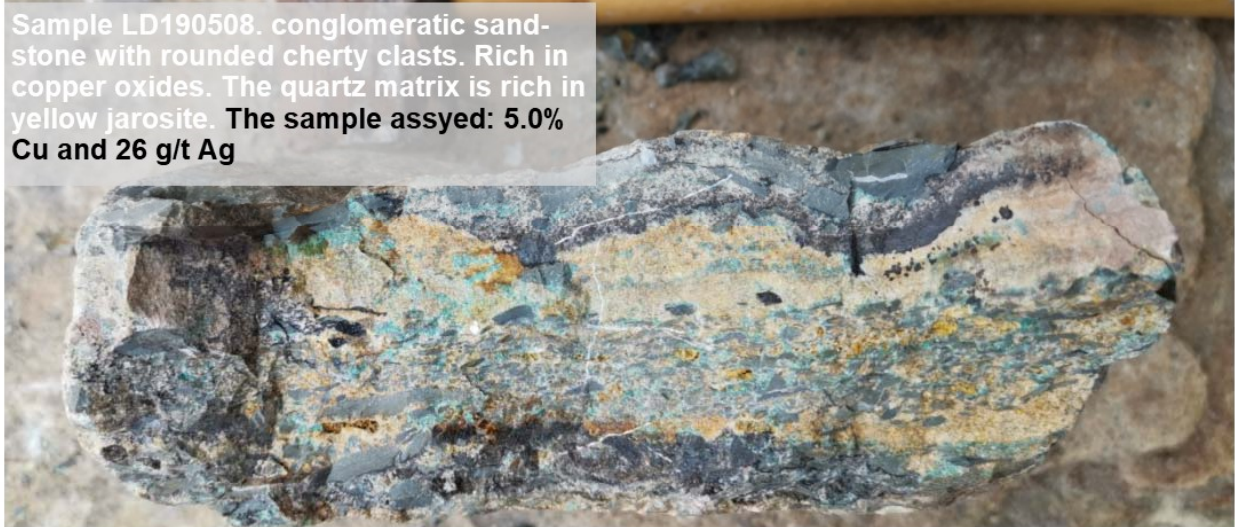
**Figure 3.** Overview of copper mineralized samples. The inset map shows a zone of stratiform copper mineralization mapped >1km of strike and inferred for an additional one kilometer.



**Figure 4.** Overview of zinc and lead mineralized or anomalous samples. The inset map shows a zone quartzose gossanous sandstones with rich impregnation of iron oxides after pyrite, galena and sphalerite.



**Figure 5.** Photos from mineralized outcrop at Sacanche. The outcrop consists of bleached siltstone with fine lamination of plant carbon in bedding planes. Three continuous and representative chip samples across bedding. The zone assayed: 3m @ 2.5% Cu and 22g/t Ag . The greater zone is 5m wide and assayed: 5m @ 1.7% Cu and 14g/t Ag



**Figure 6.** Photos of mineralized float discovered at Sacanche. Demonstrating copper mineralization in other lithologies than what has been discovered in outcrop too date.



Sample LD190573. quartzose sandstone rich in disseminated iron oxides. Grab sample from outcrop. The sample assayed: 4.3% Zn and 0.5% Pb



Sample LD190570. quartzose sandstone outcrop, here silicified. Rich pyrite in matrix and crosscutting veins. Grab sample from outcrop. The sample assayed: 1.4% Zn and 0.9% Pb. The outcrop zone is exposed for >50m and four chip samples from various parts assayed 1.7 % Zn+Pb.



Sample LD190505. quartzose sandstone rich in disseminated iron oxides. Grab sample from large concealed boulder in creek. The sample assayed: 0.2 % Zn



**Figure 7.** Photos of zinc and lead mineralized outcrops and boulders found at Sacanche. The zinc-lead mineralization is interpreted to be associated with a metal zonation associated with stratiform copper deposits, where zinc-lead is distal to the copper core.