

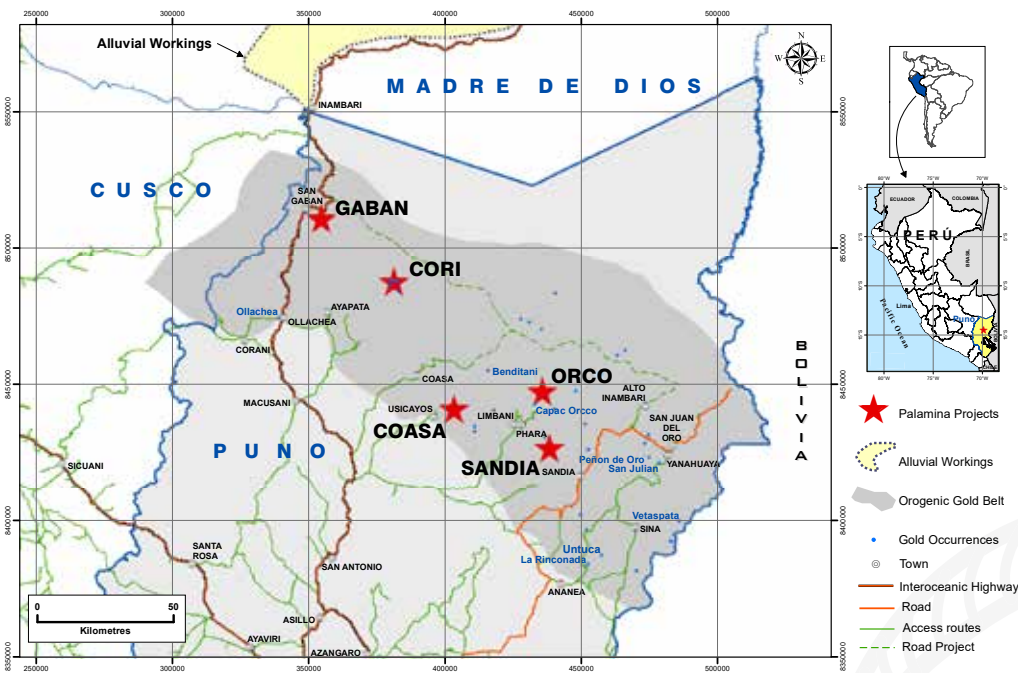
**PALAMINA
CORP.**

EYES ON THE GROUND™

PALAMINA TO FOCUS ON SOUTH EASTERN PERU'S OROGENIC GOLD BELT

On January 19, 2017, Palamina's Peruvian subsidiary, acquired the application mining rights to 23,000 hectares within the Department of Puno in southeastern Peru north of Lake Titicaca. The application rights were acquired to establish a presence in a highly prospective auriferous belt which measures approximately 175 kilometres by 75 kilometres.

The gold belt is bordered by Bolivia to the east and the Madre de Dios region to the north, and contains numerous orogenic gold showings. Palamina, in the belief that this region has considerable potential to contain significant orogenic gold deposits, has acquired the rights to mining concessions in five areas within the belt.



Known structures in the Puno orogenic gold belt extend up to 6 km in length with widths ranging from 0.2 m up to 2.0 m but within mantos up to 40 m in width. Primarily worked by artisanal miners within 50 to 100 m of surface while orogenic gold deposits often extend to depths greater than 1,000 m.

Gold mineralization in the underexplored Puno region occurs as tabular zones of quartz veining in fine-grained metamorphosed sedimentary rocks. Tabular zones may occur as discrete, stacked bedding-parallel horizons within the host rock. Mineralization consists of native gold in veins, veinlets and microveinlets and metallurgical recoveries are typically high.

TSX.V : PA

TRADING: (CDN dollars)

52 wk. High/Low: \$0.25/\$0.07
Market Cap: \$4.5M
Cash Position: \$1.75M

Common Shares:

Issued: 22.6M
Options: 2.0M
Warrants: None
Fully Diluted: 24.6M

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Sourcing Peru's modern day gold rush

Small-scale mining has taken place within the Puno orogenic gold belt for decades. Most activity is artisanal in nature but some artisanal mining has been formalized, as in the case of the La Rinconada, where approximately 50,000 residents are dedicating themselves to mining orogenic gold located beneath a glacier at 5,000 m elevation. Due to the informal nature of mining in this area, no reliable production figures are available, partly because much of the gold mined from La Rinconada is taken to nearby Bolivia to be sold. More formal mining is underway at the privately-owned Untuca mine, located less than 10 km northeast of La Rinconada, where Concorcio Minero Horizonte is projected to produce over 80,000 ounces of gold per year.



Pallaqueras (women who scavenge mine dumps for gold) at work in La Rinconada

In the Amazon Jungle, at Madre de Dios, artisanal mining of alluvial gold has also taken place for decades along existing and historical waterways. Such activities have significantly gained in momentum in recent years. Gold in these alluvial deposits is thought to have been eroded from hardrock gold deposits in the Puno orogenic gold belt located high in the Andes to the west. Gold production from these alluvial deposits, as reported to the Peruvian Ministry of Mines for 2016, was in excess of 500,000 ounces of gold.

Palamina believes that the Puno gold belt is highly prospective for multimillion ounce orogenic gold deposits where improving infrastructure will lead to major gold discoveries.



Artisanal alluvial mining in the Madre de Dios district

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