

10 May 2017

McArthur Basin Zinc and Copper Exploration underway

ASX Code: PMY

ABN 43 107 159 713

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Highlights

Borrooloola West Joint Venture Project - Copper/Zinc/Lead/Cobalt/Silver

- Fieldwork now underway in preparation for upcoming drill programs.
- Sandfire Resources continues to maintain interest and will fund 49% of exploration costs on the Borrooloola West joint venture project (Pacifico 51%).
- Ground EM Survey over Coppermine Creek during late May.
- Aircore drilling program to commence in June at Lorella to test for primary and further oxide copper mineralisation.
- Preliminary metallurgical testwork on oxide copper mineralisation planned for May.
- Diamond and RC drilling planned for July at Mariner, Berjaya, and Coppermine Creek Prospects designed to test for major primary copper and zinc-lead mineralisation.

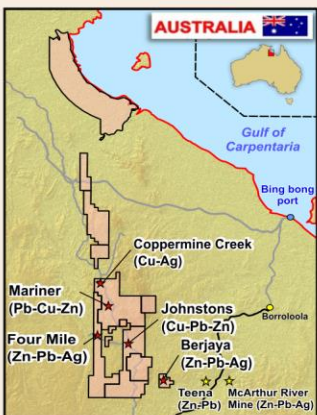
The Borrooloola West Joint Venture ("BWJV") consists of 12 exploration licences and 1 mining licence (1,817 km²), and lies west and northwest of the world class McArthur River zinc-lead mine and Teck's zinc-lead resource at the world class Teena deposit (figure 1). The parties to the BWJV are 51% Pacifico Minerals Limited ("Pacifico" or "Company") (ASX code: PMY) and 49% Sandfire Resources NL ("Sandfire") (ASX code: SFR).

Sandfire is supportive of the exploration program and will continue to contribute its 49% share of all exploration costs. Diamond, reverse circulation ("RC") and aircore drilling are planned for the 2017 field season.

Geological mapping and preparatory logistics have commenced, now the Northern Territory period of heavy rains has finished.

The Borrooloola Project contains a number of major targets for copper and zinc.

Coppermine Creek – target for Mount Isa style stratabound copper mineralisation. The prospective style of stratabound copper mineralisation and alteration is associated with a gently dipping evaporite horizon. Intersections of mineralisation to date average 9m thickness with intersections of up to 15m of 1.9% Cu in RC drill hole GPRC07¹ and is continuous over at least 800m along strike. There is a large area to explore, of 150m to 400m depth beneath younger stratigraphy. There is also potential for oxide copper mineralisation and preliminary non-acid leach test work will be carried out using RC drill chips.



Mariner – target is McArthur River style stratiform zinc mineralisation. Lead anomalism (up to 21m of 1.0% Pb in Pacifico RC drill hole MNR01²) was intersected at the base of the Roper Group during Pacifico’s RC drill program, during 2016, which indicates a possible major base metal source from the underlying McArthur Group sediments in the vicinity. One hole (MNR04³) also obtained anomalous pathfinder trace element geochemistry (Zn, Sb, Tl) from black shales in the McArthur River sediments.

Berjaya (BWJV) - target is a McArthur River style stratiform zinc deposit. Planned diamond drilling will test a Versatile Time Domain Electromagnetic (“VTEM”) conductivity anomaly in Barney Creek Formation 30km along strike from the McArthur River Mine, Australia’s largest zinc-lead-silver producer, and one of the largest zinc-lead-silver deposits in the world.

Lorella – Oxide and primary copper (BWJV) – Sandfire previously discovered oxide copper mineralisation at Lorella with a best intersection of 15.5m of 1.3% Cu in diamond hole 11BLD006³. Preliminary metallurgical test work for non-acid leaching will be carried out to ascertain if this oxide material is potentially economically viable. An aircore program (2000m) is planned to test strike extensions of the mineralisation, both for oxide copper mineralisation, and for indications of significant primary sulphide copper mineralisation. The copper mineralisation is hosted by the Amelia Dolomite, which also hosts the mineralisation at Coppermine Creek, within a similar horizon.

- ¹ Northern Territory Geological Survey open file report, January 1994. Eupene Exploration Enterprises for Mount Carrington Mines Ltd.
- ² Pacifico Minerals Ltd, ASX Announcement 23 Nov 2016 – Copper and base metal results, Borroloola West
- ³ Sandfire Resources NL, NTGS confidential report, 2011 Group Annual Mineral Exploration Report, Borroloola Project C121/09, and previously reported in Pacifico Minerals Ltd ASX Announcement 14 May 2015

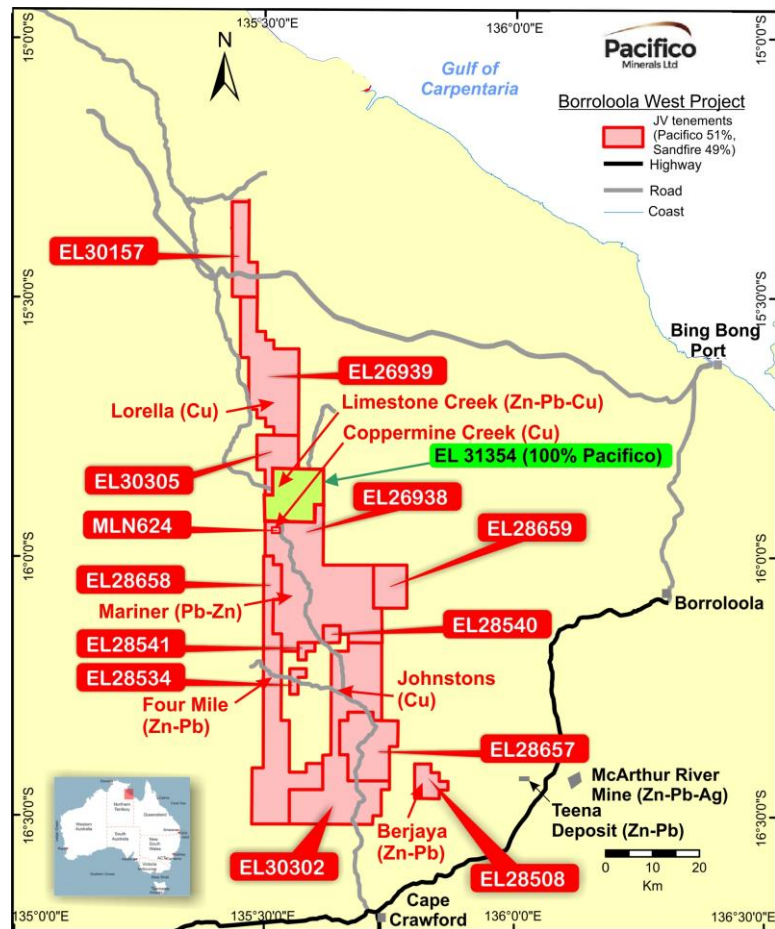


Figure 1: Borroloola West Project Tenements and Location of prospects

For further information or to be added to our electronic mailing list please contact:

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About Pacifico Minerals Ltd

Pacifico Minerals Ltd (“Pacifico”) (ASX: PMY) is a Western Australian based exploration company with interests Australia and Colombia. In Australia the company is focussed on advancing the Borroloola West project in the Northern Territory. The Borroloola West Project covers an outstanding package of ground north-west of the McArthur River Mine (the world’s largest producing zinc – lead mine) with high potential for the discovery of world class base metal deposits. In Colombia the company is focussed on advancing its Berrio Gold Project. Berrio is situated in the southern part of the prolific Segovia Gold Belt and is characterised by a number of operational, artisanal-scale adits. The project is 35km from the Magdalena River which is navigable to the Caribbean Sea and has excellent infrastructure in place including hydro power, sealed roads, a water supply and telecommunications coverage.

Competent Person Statement

The information in this announcement that relates to the Borroloola West Project is based on information compiled by Mr David Pascoe, who is a Member of the Australian Institute of Geoscientists. Mr Pascoe is contracted exclusively to Pacifico Minerals Limited. Mr Pascoe has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr Pascoe consents to the inclusion in this announcement of the matters based on information in the form and context in which it appears.

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> The methods of sampling the drill holes reported have been previously described. See ASX Announcements of 14/05/15, 06/08/15 and 23/11/16.
Drilling techniques	<ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). 	<ul style="list-style-type: none"> No new drilling.
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<ul style="list-style-type: none"> No new drilling.
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> No new drilling.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled. 	<ul style="list-style-type: none"> No new drilling.

Criteria	JORC Code explanation	Commentary
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established. 	<ul style="list-style-type: none"> No new drilling.
Verification of sampling and assaying	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data. 	<ul style="list-style-type: none"> Historical exploration data and analyses appear reasonable in comparison with reported Pacifco data and are taken at face value. This data however would not be used in any future resource estimations.
Location of data points	<ul style="list-style-type: none"> Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> No new drilling.
Data spacing and distribution	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied. 	<ul style="list-style-type: none"> Only exploration drilling.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<ul style="list-style-type: none"> Drillholes are approximately at right angles to the dominant strike directions of the fault and to bedding. Once a complete understanding is achieved, corrections will be made to estimate true widths. Any intersections described refer to down hole lengths.
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> No new drilling.
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> None required at this preliminary exploration stage.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<ul style="list-style-type: none"> The Borroloola West JV Project consists of EL's 26939, 30305, 26938, 28659, 28540, 28541, 28534, 28658, 30302, 28657, 28508, MLN 624 and ELA 26599. The Borroloola West Project is a joint venture with Sandfire. Pacifco is the operator. Some of the licence areas are covered by the Limmen National Park and permissions for exploration have been obtained from both the traditional owners and the Parks and Wildlife Commission. Berjaya (EL28508) lies on McArthur River Station and permissions for exploration have been obtained from the traditional owners and Glencore. Granted licences - no known security of tenure issues or anticipated impediments to operate in the area.
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> Various companies have explored the area now covered by the Borroloola West Project including Sandfire Resources NL, Carrington Mines Ltd, Mount Isa Mines Ltd and BHP Exploration Pty Ltd.
<i>Geology</i>	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> The Borroloola West Project is considered prospective for sediment hosted massive sulphide zinc lead silver deposits and structurally controlled or stratabound copper deposits in the Proterozoic sedimentary sequence. Manganese deposits may be present in Cretaceous sediments. Diamonds may occur in concealed kimberlitic pipes.
<i>Drill hole Information</i>	<ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length. If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	<ul style="list-style-type: none"> No new drilling.
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually material and should be stated. Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such 	<ul style="list-style-type: none"> All analyses were taken over 1m. No grades have been cut. Aggregations of length weighted grades and cut-off grades are qualified with the intercepts. No metal equivalent values have been used.

Criteria	JORC Code explanation	Commentary
	<p>aggregation should be stated and some typical examples of such aggregations should be shown in detail.</p> <ul style="list-style-type: none"> The assumptions used for reporting of metal equivalent values should be clearly stated. 	
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known'). 	<ul style="list-style-type: none"> Down-hole lengths only have been reported. The geometry of the mineralisation is known with insufficient certainty to estimate true widths.
Diagrams	<ul style="list-style-type: none"> Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. 	<ul style="list-style-type: none"> A location map is provided (figure 1). More detailed maps and sections are shown in ASX Announcement of 23/11/16.
Balanced reporting	<ul style="list-style-type: none"> Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	<ul style="list-style-type: none"> All significant results are reported.
Other substantive exploration data	<ul style="list-style-type: none"> Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. 	<ul style="list-style-type: none"> No other substantive exploration data.
Further work	<ul style="list-style-type: none"> The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	<ul style="list-style-type: none"> Ground EM, aircore drilling, RC drilling and diamond drilling planned.