

# Hannanmetals

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NEWS RELEASE

MARCH 21, 2019

## HANNAN SECURES AN ADDITIONAL 25 KILOMETRES OF MINERALIZED TREND AT THE SAN MARTIN SEDIMENT-HOSTED COPPER PROJECT IN PERU

Vancouver, Canada – Hannan Metals Limited (“Hannan” or the “Company”) (TSXV: HAN) (OTCPK: HANNF) is pleased to announce it has further expanded the area under mineral claim application at the San Martin sediment-hosted copper-silver project in north-central Peru. A district-scale sediment-hosted copper terrane is now secured, with applications covering more than 76 kilometres strike of the prospective host horizon.

### Key Points:

- 5,900 hectares of claim applications have been lodged for the Sacanche area, located 44 kilometres south of the central and initial Tabalosos claim application;
- Hannan’s mineral claim applications now cover 76 kilometres of combined strike (35,400 hectares) of the prospective host horizon within a 110 kilometre long basin (Figure 1);
- Sacanche delivers an additional 25 kilometres of host horizon strike under application, and is interpreted to be an extension of the mineralized position discovered in Hannan’s [Tabalosos](#) claim applications where [initial sampling by Hannan](#) outlined four areas of high-grade copper and silver over 15 kilometres of strike within at least two structural corridors. Nineteen grab samples from mineralized float in river beds (>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 27.2 g/t silver.
- Historic prospecting at Sacanche identified both sediment-hosted copper and lead-zinc showings with multiple gossans up 80 metres in thickness with anomalous zinc, lead and copper and grab samples from creeks assaying significant copper and silver within the 25 kilometre strike of the claim application area (Figure 2).

Michael Hudson, Chairman and CEO states, *“San Martin demonstrates the initial makings of a high-grade sediment-hosted copper and silver discovery in north-central Peru. Hannan’s first mover position has allowed claiming of a district-scale sedimentary copper-silver target over 76 strike kilometres in length and we look forward to a multi-team exploration program during 2019 to target areas of grade and thickness.”*

Hannan’s claim applications extend over a combined 76 kilometres of strike within a 110 kilometre basin scale trend. Early stage historic exploration at Sacanche identified both sediment-hosted copper and lead-zinc showings. Multiple gossans up 80 metres in thickness with anomalous zinc, lead and copper have been recorded over multiple kilometre strike (Figure 2). The thick lead-zinc gossans are interpreted to be developed at different stratigraphic positions than the interpreted location of the stratabound sedimentary-hosted copper-silver mineralized target zone. Scant historic sampling records grab samples from river float assaying significant copper and silver discovered intermittently along the 25 kilometre strike of the Sancache claim application area (Figure 2). Hannan interprets the separate copper and lead-zinc mineralized zones as products of an evolving basinal system, related to processes observed in other sedimentary-hosted copper districts where lead and zinc can be locally elevated.

The Sacanche claims are an extension of the sediment hosted copper-silver mineralized position discovered in [Gera](#) and [Tabalosos](#) claim applications where [initial sampling by Hannan](#) outlined four areas of high-grade copper and silver over 15 kilometres of strike within at least two structural corridors within the Tabalosos claim

application area. Nineteen grab samples from mineralized float in river beds (>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 27.2 g/t silver.

Hannan has commenced the 2019 dry-season exploration program with field reconnaissance and plans to have a multi-team exploration program commence from mid to late April 2019. The areas under claim are sparsely populated. No indigenous land designation is recorded within Gera and Sacanche claim areas and only a small area (13%) of the Tabalosos application is defined as indigenous lands, which the Company views as a positive for future drill permitting. The Company has begun to identify and involve local stakeholder groups, and will continue to engage with communities and authorities during the 2019 field programs.

The San Martin project lies in the Sub-Andean zone of Andean Cordillera. Since the 1970's the area has principally been explored for petroleum, delivering large seismic datasets similar to those being used by Hannan for targeting of zinc in Ireland. Seismically-defined basin structures and stratigraphy are now being interpreted in the context of sediment-hosted copper mineralization.

The Sub-Andean zone is underlain by a series of retro-arc foreland basins that were inverted during the Mid-Eocene and the Miocene. The inversion exposed a rift sequence initiated in the late Permian, composed of red beds and thick basin-wide evaporites. These rocks are contemporary to the Pucara and Mitu Groups in western Peru. The geological history shows a strong similarity to sedimentary basins which host giant sediment hosted copper deposits with respect to the stratigraphy, basin architecture, presence of thick evaporites and long periods of quiescence.

Copper and silver mineralization is hosted by the 150 Ma Saraquillo Formation, which was deposited in an intra-continental basin during the Jurassic-Early Cretaceous period. The Saraquillo Formation is 1.2-1.8 kilometres thick and extends for over 1,000 kilometres of strike. The Saraquillo Formation is spatially associated with salt domes which supports the seismic observations of widespread evaporitic strata, with several small artisanal salt and copper mines present in the area. Copper mineralization discovered to date is associated with the contact of fine-grained reduced carbonaceous sandstones with highly oxidized red beds of the Saraquillo Formation. Chalcocite is the dominant copper sulphide and it is always found together with carbonaceous material. Chalcocite occurs as fine disseminations, fracture filling and centimetre-sized massive aggregates. Secondary copper minerals are common on exposed surfaces. Albitization and silicification is associated with the mineralization, where the former dominates in more strongly mineralized samples.

Management of Hannan have had significant prior experience in [Peru, which is the world's second largest copper producer](#), with steady growth predicted over the coming years. 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 base metal project generation company. It has 100% ownership of the County Clare Zn-Pb-Ag project in Ireland, which consists of 9 prospecting licenses for 35,444 hectares and has recently filed mineral claim applications for 35,400 hectares within the San Martin Province in Peru searching for copper and silver.

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**

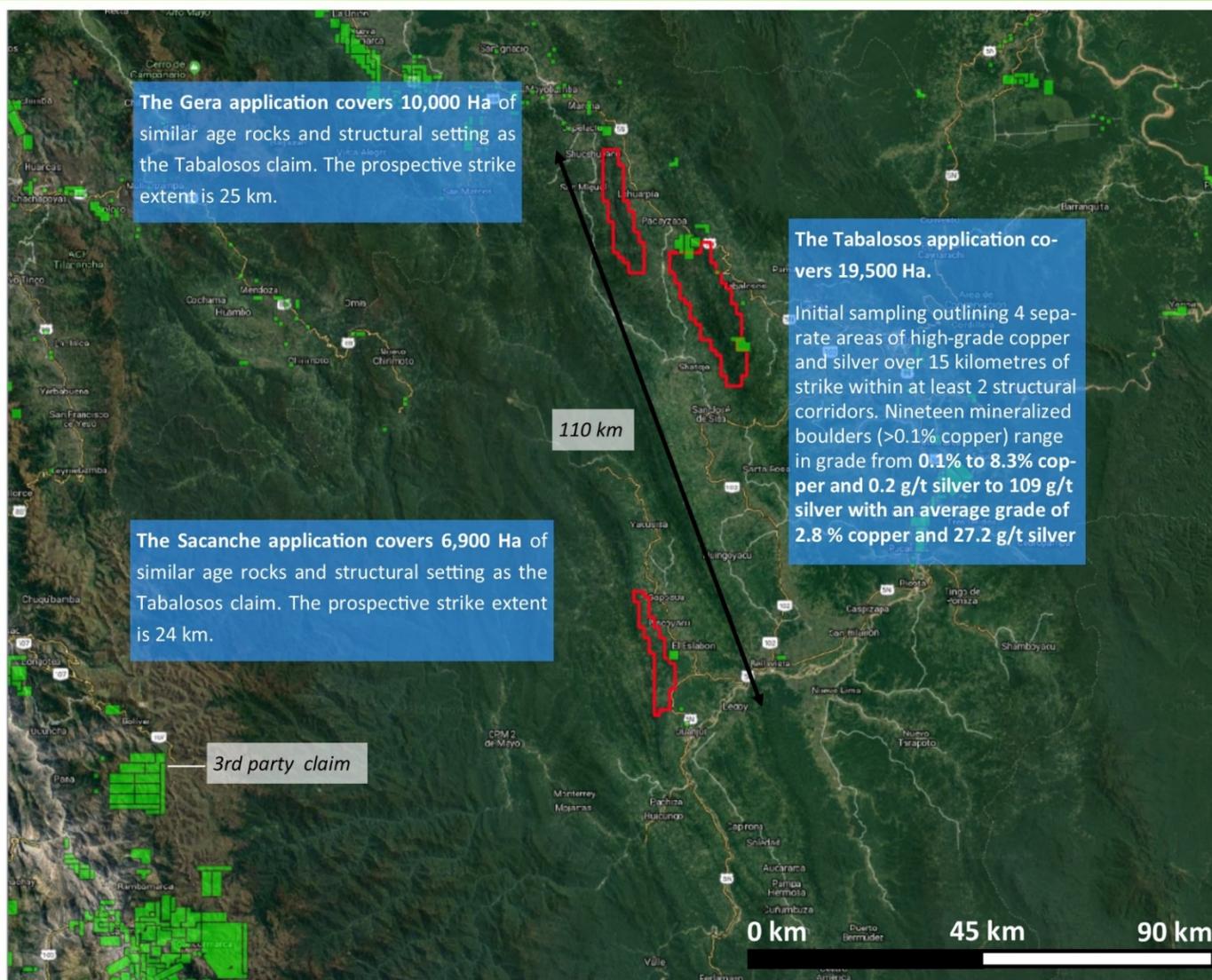
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**Forward Looking Statements**

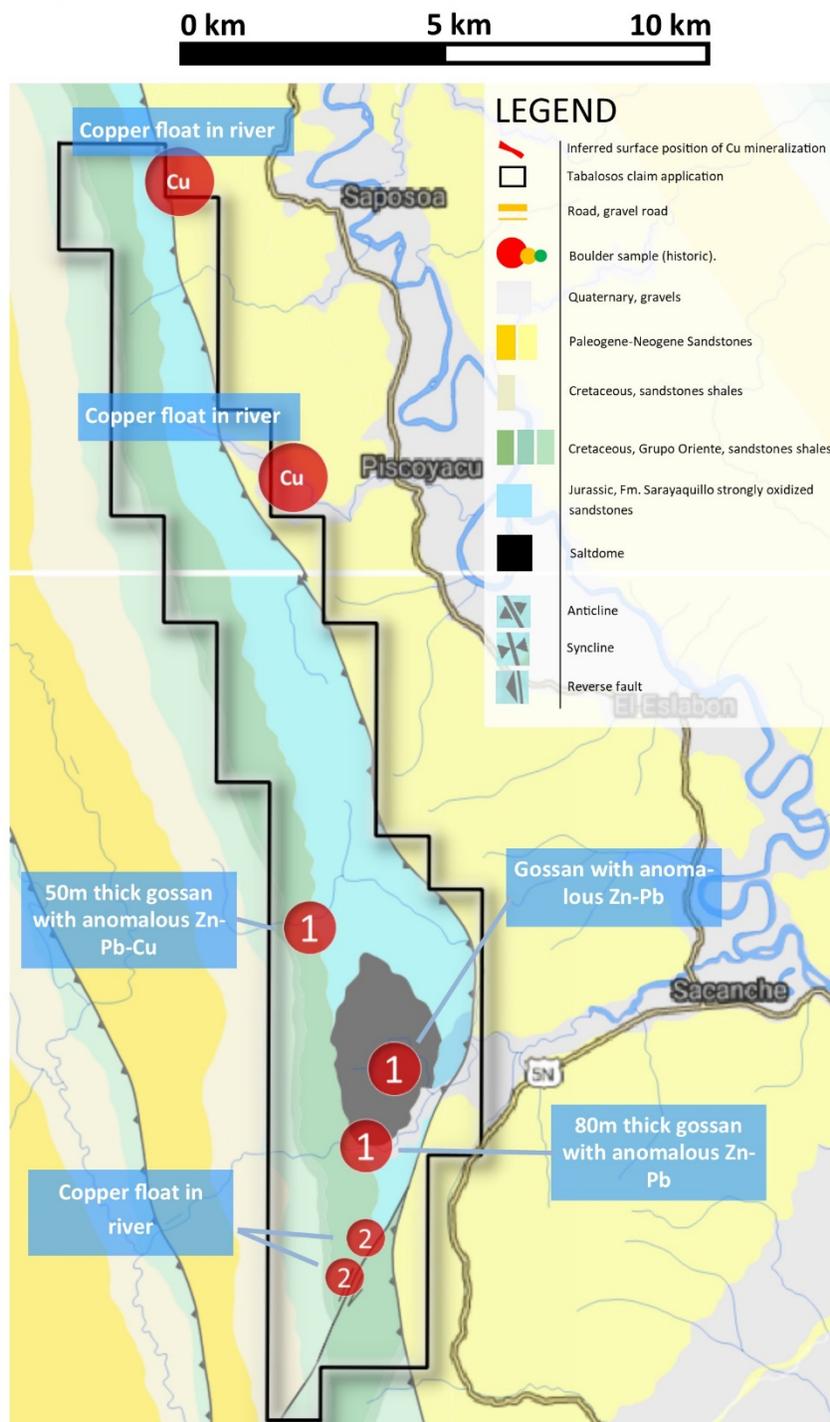
Certain information set forth in this news release contains "forward-looking statements", and "forward- looking information" under applicable securities laws. Except for statements of historical fact, certain information contained herein constitutes forward-looking statements, which include the Company's 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 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. The Sacanche application, reported here, is the latest addition to Hannan’s claim applications. Hannan’s mineral claim applications now cover 76 kilometres strike (35,400 hectares) of the prospective host horizon within a 110 kilometre long basin.



**Figure 2.** Sacanche property geology (100K after Ingemmet). Significant historic exploration results are shown in red.