PALAMINA CORP.

EYES ON THE GROUND™

Q1 2018

TSX.V : PA

TRADING: (CDN dollars)

52 wk. High/Low:	$0.38/$0.15
Market Cap:	$9M
Cash Position:	$2.3M

Common Shares:

Issued:	29.74M
Options:	2.25M
Warrants:	7.17M
Fully Diluted:	39.16M

DIRECTORS:

Hugh Agro, Andrew Thomson, Alistair Waddell, Darin Wagner.

ADVISORY BOARD:

Jose Vizquerra-Benavides, Douglas Reeson, Phillip Walford

KEY MANAGEMENT:

Andrew Thomson, President & C.E.O.
Brian Jennings, C.F.O.
Donald McIver, M.Sc. V.P. Exploration
Yury Valdiviesio, M.Sc. Exploration Manager

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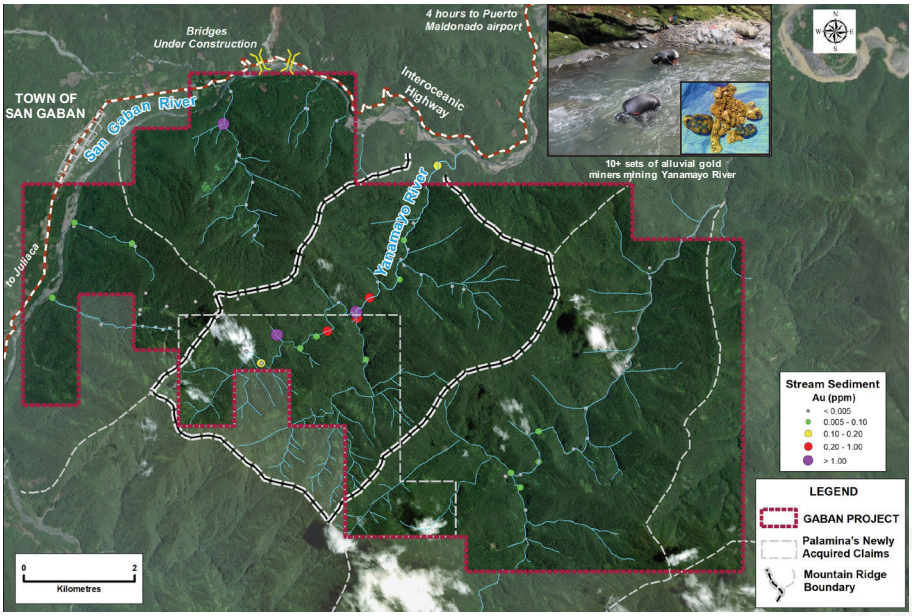
PALAMINA COMPLETES $2.15M FINANCING

On February 26, 2018, Palamina completed a $2.15M oversubscribed financing. Proceeds will be directed at funding progressive exploration on Palamina's projects located in the Puno Orogenic Gold Belt (POGB), in south eastern Peru. In 2017, Palamina assembled an exploration team with 35 years of cumulative experience operating within the POGB. Through staking and acquisition, Palamina has amassed 5 district-scale projects in the POGB. The 5 project areas are located within an orogenic system interpreted to source a modern day gold rush which is underway downstream at Madre de Dios covering 650 sq. km. Little or no systematic exploration or drilling has taken place on Palamina's project areas.

PALAMINA SECURES 85% OF WATERSHED AT GABAN GOLD PROJECT



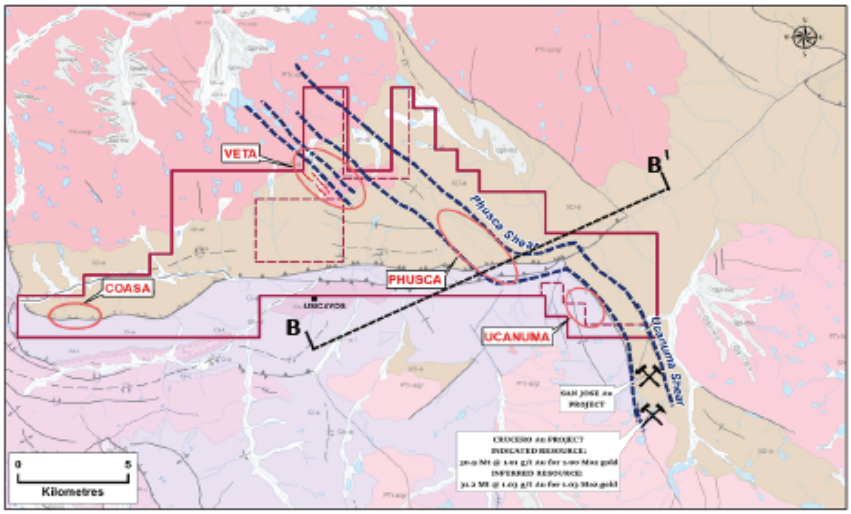
Palamina purchased the mining rights to two contiguous concessions within the Gaban Gold Project with a view to locating the source of coarse alluvial gold being mined along the Yanamayo river. Palamina has secured the mining rights to 85 % of an area bound on all sides by four mountain ridges where geochemical stream sediment and rock sampling results would suggest proximity to an orogenic gold source.

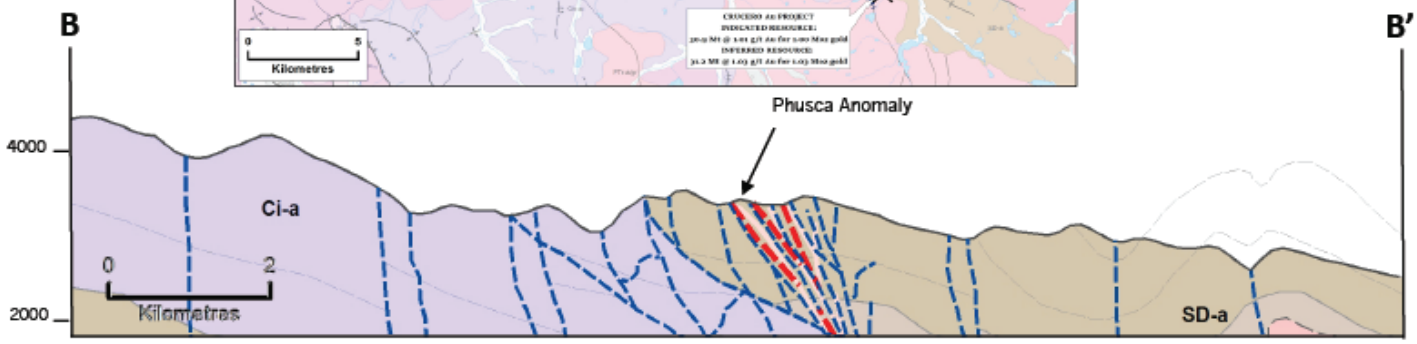
Over ten sets of alluvial miners are mining coarse gold from a river on Palamina's project where stream sediment sampling at -60 mesh has returned values up to 4.9 g/t gold. Palamina has identified mineralized intrusives as well as anomalous shear zones in sedimentary rocks hosting orogenic-style quartz veins. Follow up exploration activities are designed to discover orogenic gold sources for the alluvial gold located on the Gaban Gold Project.

GABAN IS UP-RIVER FROM MADRE DE DIOS WHERE ALLUVIAL MINERS COVER 650 sq. km

PALAMINA INCREASES LAND POSITION AT COASA AND IDENTIFIES 4 TARGET SHEAR ZONES

In 2017, Palamina completed its preliminary evaluation of the Coasa Project area. Palamina has increased the Coasa Project area to 15,500 hectares to cover four anomalous zones: Ucanama, Phusca, Veta and Coasa. Of these the Phusca shear zone has been prioritized for follow up exploration. The location and geological attributes of the Phusca shear zone, within a structural offset in an east west trend similar to that of the Ollachea and Rinconada gold deposits, makes this zone a stand-out anomaly. Members of Palamina's exploration team were instrumental in defining and developing the Ollachea orogenic gold deposit resource, which contains a total of 1.4 Moz of gold in the Indicated category. It is additionally associated with the Crucero deposit hosted within the nearby Ucanuma shear zone. The Crucero gold deposit was recently purchased by GoldMining Inc.





At Coasa varying styles of orogenic gold mineralization are being targeted: i) major shear-zone gold within discrete, broad packages of narrow quartz veins and veinlets hosted in fine-grained sedimentary rocks; ii) gold mineralization related to local fault zones and associated sheared dikes and/or sills of dioritic composition; iii) bonanza-style orogenic gold mineralization hosted within discrete mineralized quartz-sulphide-veins; and iv) moderate-grade gold mineralization emplaced within fine-grained, weakly metamorphosed sediments, hosting disseminated gold and sulphides in sulphide(+-quartz) veins and veinlets.

Orogenic gold deposits occurring in the POGB need not necessarily occur directly within major shear-zones, but will in principal generally have an intimate association with these regional-scale structures. Palamina has recently received title to the Phusca zone and is planning to carry out a geophysical survey in addition to further mapping and sampling while it awaits drill permits.