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Resource Expansion Drill Program Commenced at Sorby Hills Pb-Ag-Zn Project

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Highlights

- Pacifco has commenced Phase 1 of a 12,000m drill program at the Sorby Hills Base Metals Project
- Initial 6,000m infill and expansion drill program focussed on the high-grade and shallow portions of the current 16.5Mt lead-silver-zinc resource
- Drill campaign targeting additional tonnage and part of activities to enhance the 2012 Pre-Feasibility Study

Pacifco Minerals Limited (“**Pacifco**” or the “**Company**”) is pleased to announce the commencement of a major drill campaign at its Sorby Hills Pb-Ag-Zn Project (“**Sorby Hills**”) near Kununurra, Western Australia.

Pacifco completed the acquisition of a 75% interest¹ in the Sorby Hills Project on 9 October 2018 and has moved quickly to mobilise a drill rig to the Project area after the recent acquisition of its interest in the Project (see figure 1).

Pacifco’s joint venture partner in the Sorby Hills Project is Henan Yuguang Gold and Lead Co Ltd (Henan Yuguang), who maintain a 25% interest in the Project since acquiring its interest on 20 September 2010. Henan Yuguang is the largest lead smelting company in China with headquarters in Jiyuan in Henan Province, China.

Henan Yuguang Limited General Manager, Mr Li, commented: “We are delighted that Pacifco Minerals has completed the acquisition of a 75% interest of the Sorby Hills Project, Yuguang is committed to the project and will actively support future plans with its resources with a view to moving the Project into production as soon as possible.”

Pacifco will now work with Henan Yuguang to update previous technical studies to increase the confidence in the resource estimate, undertake metallurgical testing to optimise the design of the process plant, to produce a simple and clean concentrate and comply with all regulatory requirements to complete a pre-feasibility study which envisages mining, processing and exporting base metal concentrate from the Port of Wyndham, a road distance of approximately 140km from the Project area.

Pacifco has moved quickly to undertake this drill campaign as it sees significant opportunities to extend the existing mineral resource estimate of **16.5Mt @ 4.7% Pb, 0.7% Zn and 54 g/t Ag**. The existing resource extends over two of the five granted mining leases². The majority of the resource lies within one mining lease, ML80/197 granted in 1988. - 1 -

1. See ASX announcement dated 10 October 2018
2. See ASX announcement dated 24 August 2018

Areas selected for initial drilling were reviewed over the last few months by CSA Global Pty Ltd as Pacifico undertook technical due diligence on the Project and then moved to optimise a future work program. Pacifico has concluded that drilling within the existing Inferred Mineral Resource or zones immediately adjacent provide the best option to incorporate an updated resource estimate from this drilling into a Pre-Feasibility Study to be completed in 2019. Within these resources the average depth to the top of mineralisation is 20m below surface, with what appears to be free dig colluvium and upper thin zones of the Knox siltstone.



Figure 1. Location of the Sorby Hills Project approximately 50km northeast of Kununurra, Western Australia

Beyond the initial high-priority infill drilling, Pacifico has highlighted exploration potential outside of the existing estimated resource, where a number of orebodies remain open along strike and warrant follow up drilling. Over the years, the project has seen the development of The Kimberley region with a number of operating mines in the East Kimberley producing diamonds, iron ore, nickel, lead and zinc and more recently the development of a rare-earth mine. The expansion of the Ord Irrigation Scheme has required significant involvement from government authorities and this has assisted the project in receiving a comprehensive environmental review by the West Australian Environmental Protection Authority.

Pacifico Minerals Limited Managing Director, Simon Noon, commented: “This drill program represents a significant investment by Pacifico and Henan Yuguang in building the tonnage and understanding of the resources at Sorby Hills. The planned drilling is focused on expanding the mineral resource in a manner that is expected to immediately add to the project’s Indicated Resources and prepare for Phase 2 of the drilling campaign to move a portion of the resource to an Ore Reserve to enable planning for a future mining operation. As an investor in the company, I share the same excitement as our loyal shareholders in the potential economic development of Sorby Hills.”

The shallow water Port of Wyndham has successfully exported mineral products and Pacifico believes that it can incorporate improvements in infrastructure, including a sealed highway from the mining lease to the Port already in place, better handling of base metal concentrate using sealed containers, and a desire from customers seeking a clean lead-silver concentrate free from deleterious elements to offset the closure of a number of lead mines in China.

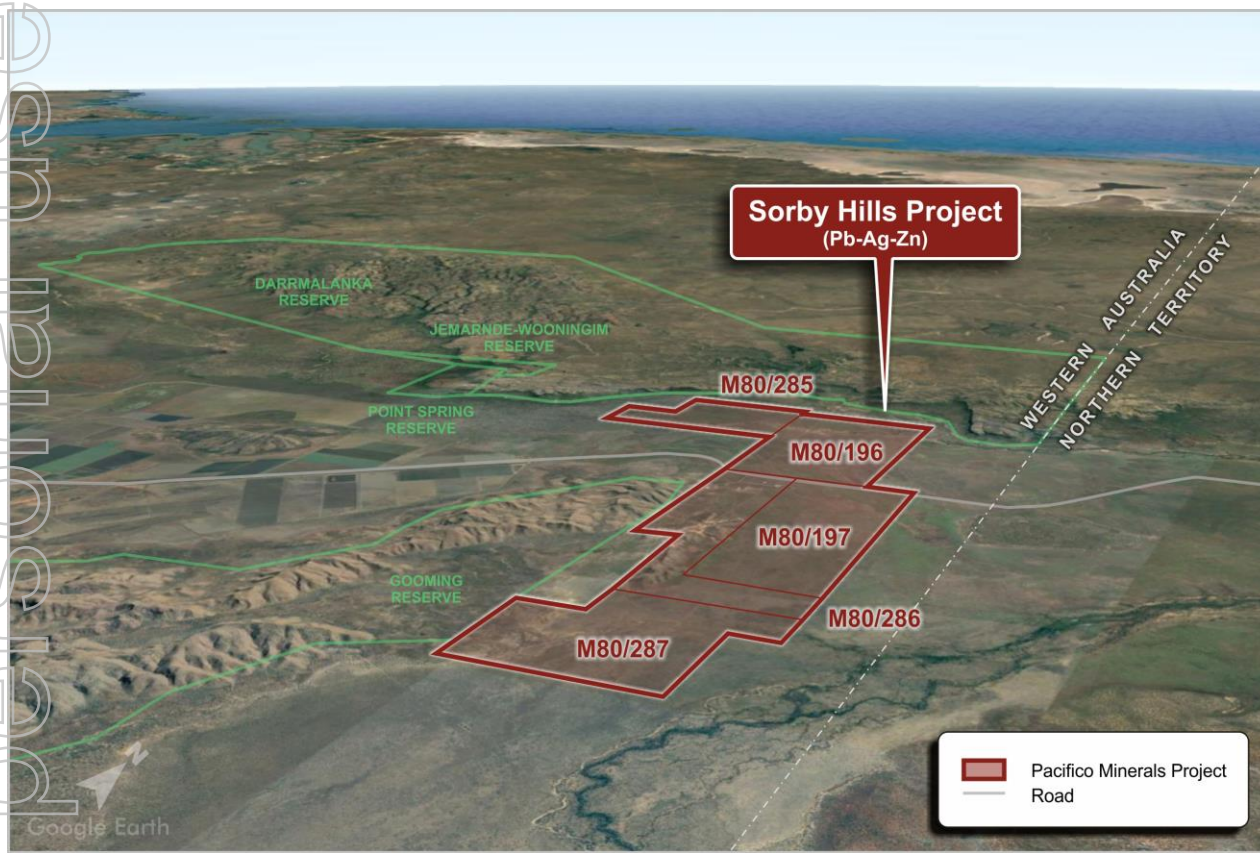


Figure 2. Sorby Hills Project comprising five granted mining leases located 1.2km west of the WA/NT border

Pacifico look forward to providing updates on the initial phase of its drilling program and advise on its strategy with our JV partner, Henan Yuguang to assess the Sorby Hills Project for future development.

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

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About Pacifco Minerals Ltd

Pacifco Minerals Ltd ("**Pacifco**") (ASX: PMY) is a Western Australian based exploration company with interests Australia, Mexico and Colombia. In Australia, the company is currently focused on advancing the Sorby Hills Lead-Silver-Zinc Joint venture project in WA. Pacifco owns a 75% interest in the joint venture with the remaining 25% (contributing) interest held by Henan Yuguang Gold & Lead Co. Ltd.

In Mexico, Pacifco is advancing the Violin Gold-Copper project located within the Guerrero Gold Belt.

About Henan Yuguang Gold and Lead Co Ltd

Henan Yuguang Gold and Lead Co., Ltd was established in 1957 by the government of Jiyuan City which is in Henan Province in North China. In July 2002, HYG (exchange code: 600531) was listed on the Shanghai Stock Exchange (SSX). Current ownership is approximately 34.61% by Jiyuan City. HYG is the largest lead smelting company and silver producer in China and has been among the Top 500 Chinese enterprises and Top 500 China manufacturing enterprises for the last five consecutive years. The main signature products produced by HYG are electrolytic lead, gold, silver and copper which are all registered at LME and LBMA respectively. In 2017, HYG produced 415,100 tonnes of electrolytic lead, 110,000 tonnes of copper, 958 tonnes of silver, 7,383 kg of gold and achieved sales of about US\$2,684 million. HYG's plants are predominantly modern; HYG continue to develop industrial technology that is environmentally-friendly. Its recently-refurbished lead smelting plant has achieved full automation. More information can be found on the HYG website; <http://www.yggf.com.cn/en/>.

Competent Person Statement and JORC Information

The information in this announcement that relates to Mineral Resources is extracted from the announcement entitled "Sorby Hills Resource Update to JORC 2012" dated 24 August 2018 which is available to be viewed on the Company's website (www.pacificominerals.com.au) and which is based on information compiled by Mr Geoff Reed (in respect of the DE pod) and Mr David Williams (in respect of the A, B, C, F, H, I, Alpha and Beta pods) as Competent Persons. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original announcement, and in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons' findings are presented have not materially changed.

Forward Looking Statements

Certain statements in this document are or maybe "forward-looking statements" and represent Pacifco's intentions, projections, expectations or beliefs concerning among other things, future exploration activities. The projections, estimates and beliefs contained in such forward-looking statements necessarily involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Pacifco, and which may cause Pacifco's actual performance in future periods to differ materially from any express or implied estimates or projections. Nothing in this document is a promise or representation as to the future. Statements or assumptions in this document as to future matters may prove to be incorrect and differences may be material. Pacifco does not make any representation or warranty as to the accuracy of such statements or assumptions.