

Philippine Metals Acquires Consortium Precious Metals Project

Vancouver, British Columbia--(Newsfile Corp. - February 1, 2021) - Philippine Metals Inc. (TSXV: PHI) (the "Company") is pleased to announce the acquisition of an option to acquire a 100% interest in the 1,161 hectare Consortium Property ("Consortium" or the "Property") located in British Columbia, Canada. The arm's length acquisition is subject only to a 3.0% NSR royalty interest in favour of the vendor.

Key Highlights

- The Property is located 55 kilometres northwest of Campbell River, British Columbia and can be accessed by a network of well-maintained logging roads.
- Known mineralization was first identified in 1989 by a provincial Regional Geochemical Survey, which led to initial staking in 1990 that was followed by a variety of intermittent ground-based surveys through to 2020. The Property has never been drilled-tested.
- Consortium has high gold-silver grades in quartz-ankerite veins with chalcopyrite and pyrite veinlets. For example:
 - In 2020, a program of 10 bedrock samples of veins in a creek (known as A1 Creek) on the Property returned grades ranging from 0.24 to 30.4 grams per tonne (g/t) Au (and which averaged 4.5 g/t Au) and 1.8 to 71.0 g/t Ag (and which averaged 14 g/t Ag).
 - Float samples in A1 Creek generated from a program completed in 2018 included two samples which returned grades of 79.0 g/t Au and 248 g/t Ag and 29.0 g/t Au and 112.0 g/t Ag.
- Vein mineralization in the basalts is related to brittle, strike slip faults and carbonate alteration.
- The Consortium Property is open to expansion in multiple directions.
- The Property represents an early-stage exploration for gold, silver and potential base metals and marks the first step in the Company's development of a property pipeline outside of the Philippines.

A NI 43-101 Technical Report on the Property and commissioned by the Company will be filed on SEDAR within 30 days.

Exploration Plans

Field work conducted in the past 3 years consists of baseline exploration including mapping and sampling. In 2018 the Property was the subject of a soil sampling program along logging roads, silt sampling in creeks, and prospecting rock cuts. Approximately 300 soil samples, 15 silts, and 33 rocks were collected, which was designed to extend and infill historical geochemical surveys. Initial follow-up work in 2020 included the bedrock samples from A1 Creek noted above, 33 soil samples along new logging roads, and lithogeochemical sampling. The Company is continuing to compile and review historic data from the newly acquired assets with the goal of planning and implementing an exploration program for this year. Immediate work recommended includes ground-based geophysics, geology and geochemistry, which would be followed with initial drill-testing (dependent on results of the first-phase exploration).

Dr. Hardolph Wasteneys, Ph.D., P.Geo., a Qualified Person as defined by NI 43-101, has reviewed and approved the technical contents of this news release and has verified the data disclosed herein.

Terms of the Acquisition

The Company has purchased an initial 51% interest in the Property for cash consideration of \$5,000. An additional 49% interest in the Property can be purchased for cash consideration of \$165,000 payable over four years, the issuance of 800,000 common shares in the Company over three years and the

completion of \$500,000 of exploration expenditures over four years. Additionally, the acquisition is subject to a 3.0% net smelter royalty in favour of the vendor (who is arm's length to the Company).

The transaction proposed herein is subject to a review and approval by the TSX Venture Exchange.

ON BEHALF OF THE BOARD

"Craig T. Lindsay"

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Forward Looking Information

This news release contains forward-looking statements and other statements that are not historical facts. Forward-looking statements are often identified by terms such as "will", "may", "should", "anticipate", "expects" and similar expressions. All statements other than statements of historical fact included in this release, including, without limitation, statements regarding the transactions, concurrent financings or any contemplated change to the Company, are forward-looking statements that involve risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the Company's expectations are risks detailed from time to time in the filings made by the Company with securities regulations.

The reader is cautioned that assumptions used in the preparation of any forward-looking information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Company. As a result, the Company cannot guarantee that any forward-looking statement will materialize and the reader is cautioned not to place undue reliance on any forward-looking information. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement. The forward-looking statements contained in this news release are made as of the date of this news release and the Company will only update or revise publicly any of the included forward-looking statements as expressly required by Canadian securities law.

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