Palamina Completes Heli-Borne Geophysical Survey & Provides Update on Gaban and Bendi Gold Projects

Toronto, Ontario--(Newsfile Corp. - October 29, 2018) - Palamina Corp (TSXV: PA) has completed heliborne geophysical surveys over its Coasa, Gaban and Cori gold projects in the Puno Orogenic Gold Belt ("POGB") of Peru. In the POGB, gold mineralization frequently has an association with disseminated magnetic pyrrhotite hosted by quartz veins within regional shear zone structures. Palamina believes results from the heliborne magnetic survey will aid in outlining regional structures with the potential to host gold mineralization. It will also help focus on-going ground exploration by identifying the most prospective sections of these structures. Raw geophysical data acquired from the surveys is being processed and the company anticipates receipt of the processed data shortly.

Andrew Thomson, President of Palamina stated, "Palamina is the first company to conduct heli-borne geophysics in the POGB. The ~3,000 line-km survey is now complete and we are awaiting the processed data to better understand the structures of the Coasa, Gaban and Cori gold projects. The combination of survey data plus on-the-ground geological knowledge should help Palamina better pinpoint prospective exploration target areas. Recent sampling campaigns at Gaban and Bendi continue to increase our understanding of the mineralized shear zone structures on these properties."

Gaban Gold Project: Palamina holds title and application rights to 19,300 hectares at Gaban where 10 sets of alluvial miners intermittently mine coarse alluvial gold from the Yanamayo river within the property. Geochemical stream sediment sampling has returned values up to 4.9 g/t gold (at -60 mesh) in the Yanamayo river. Palamina has secured the mining rights to 85 % of the Yanamayo river watershed which is bound on all sides by four mountain ridges.

To date Palamina has located five outcropping shear zones hosting quartz veins-veinlets in the mountain ridges surrounding the Yanamayo river. Palamina is targeting these shear zones as the hard rock source of the alluvial gold mineralization. Two samples were taken from historic artisanal workings along one of the shear zones located on the recently acquired "Aurifera" concession. These samples make up part of the Yanamayo watershed and returned:

SAMPLE #	LOCATION	SAMPLE TYPE	METRES	GOLD g/t
3286	Aurifera	Channel	**0.15**	**6.6**
3284	Aurifera	Rock-Chip	**1**	**1.34**

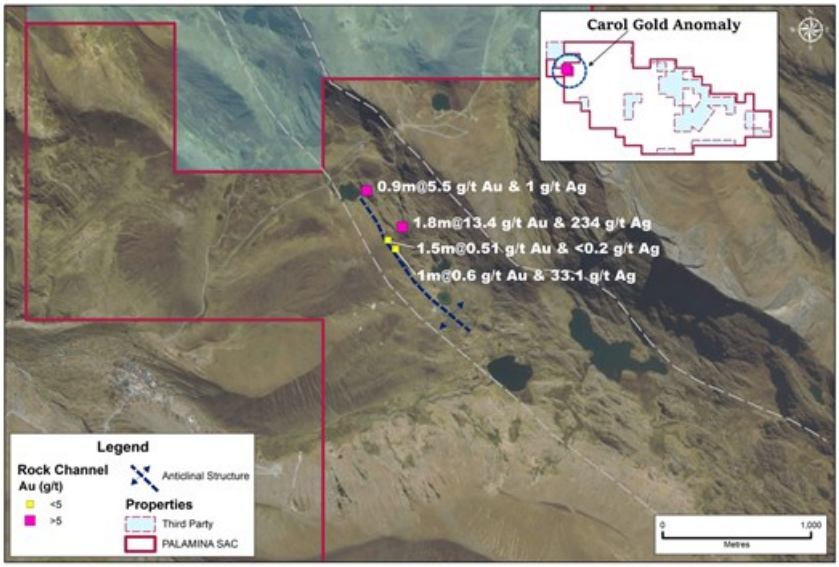
Results from the recently completed heli-borne magnetic survey will serve to better understand the structural orientations and anatomy of the 5 shear zones located to date at Gaban. Further sampling is planned along the shear zone within the Aurifera concession to determine the extent of the gold mineralization.

Bendi Gold Project: Palamina holds title and application rights to 18,900 hectares at Bendi which is located northeast of the Coasa Gold Project in the POGB. Palamina's exploration efforts to date have focused on 2 highly prospective district-scale structures as identified by Palamina's field teams: 1) The Carol structure is a >15 km long NW-SE trending shear zone parallel to the core of an anticlinal feature which transects the southwestern sector of the Bendi concessions and; 2) The Mantos structure is a >7 km long shear-zone trending sub-parallel to structure hosting the Benditani gold mine.

At Carol some 1.5 km of the principal mineralized target zone occurs in close association with the interpreted axis and over the eastern limb along the NW section of this >15 km long anticline. Recent channel sampling from a structure occurring as a part of a swarm of brecciated orogenic quartz veins returned:

SAMPLE #	LOCATION	SAMPLE TYPE	METRES	GOLD g/t	SILVER g/t
2176	Carol	Channel	**1.8**	**13.4**	**234**
2215	Carol	Channel	**0.9**	**5.5**	**-**
2132	Carol	Channel	**1**	**0.6**	**33**
2173	Carol	Channel	**1.5**	**0.51**	**-**

A map showing the sample locations at the NW end of the Carol structure follows:



Carol Map

To view an enhanced version of this graphic, please visit:
https://orders.newsfilecorp.com/files/4727/40670_7399b4844456485d_001full.jpg

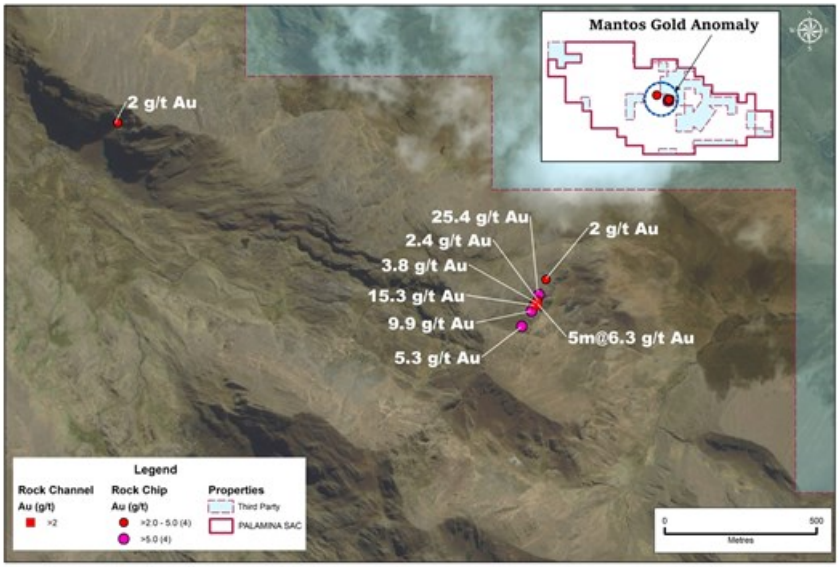
At Mantos the host lithology is composed of intercalated siltstones, slates and quartzitic sandstones of the Sandia Formation. Hercynian-aged tectonics have resulted in a complex combination of NW-SE trending reverse faults, minor thrusts and NE-SW trending faults producing present day Andean-trending shears, open-folded anticlines and synclines. Relating to the regional-scale shear zone structures, gold mineralization is associated with oxidized sulphides in relatively narrow quartz-gold veins and veinlets which collectively occur in uninterrupted packages hosting sets of discontinuous and polydirectional veins.

Select channel and rock chip sampling* above 2.0 g/t gold returned:

SAMPLE #	LOCATION	SAMPLE TYPE	METRES	GOLD g/t
1870(1)	Mantos	Rock-Chip	**0.20**	**25.4**
2444	Mantos	Rock-Chip	**0.03**	**15.3**
1401	Mantos	Rock-Chip	**0.05**	**9.9**
1425	Mantos	Channel	**5.0**	**6.3**
2465	Mantos	Rock-Chip	**0.04**	**5.3**
1402	Mantos	Rock-Chip	0.02	3.8
2437	Mantos	Rock-Chip	0.05	2.4
1453	Mantos	Channel	1.0	2.0
2404	Mantos	Channel	1.0	2.0

(1) Previously reported
*Selective samples are not representative of the mineralization hosted on the property.

A map showing the sample locations at the SW end of the Mantos structure follows:



Mantos Map

To view an enhanced version of this graphic, please visit:
https://orders.newsfilecorp.com/files/4727/40670_7399b4844456485d_002full.jpg

Follow up geochemical rock-chip and channel sampling along the Carol and Mantos structures is planned to further evaluate the extent of the precious metal mineralization along strike to the NW and SE. Palamina's projects in the POGB have never been drill tested.

Palamina Corp. quality assurance/quality control (QA/QC) protocol is administered on all its exploration projects. Prior to delivery of field exploration samples to the analytical laboratory and with the objective to provide an independent check on precision, accuracy and contamination in the laboratory, Palamina QAQC staff insert coarse blank samples, field duplicates and certified standards into the sample stream. To assure best practice compliance, assay results are only reported once the results of internal QAQC procedures have been reviewed and approved. All assays are performed by Certimin S.A. with sample preparation in Juliaca, Puno Province and analytical assays at the Lima office. Reported assay values are uncut. At the laboratory samples are dried, crushed, and pulverized and then analyzed using a fire assay - AA finish analysis for gold and a full multi-acid digestion with ICP-AES analysis for other elements. Samples with results that exceed maximum detection values for gold are re-analyzed by fire assay with a gravimetric finish and other elements of interest are re-analyzed using precise ore-grade ICP analytical techniques.

Mr. Donald McIver, M,Sc Exploration and Economic Geology, a Fellow of the Australian Institute of Mining and Metallurgy (FAusIMM), as well as the Society of Economic Geologists (FSEG), is Vice President Exploration for Palamina Corp. He is a Qualified Person as defined by National Instrument 43-101 and has supervised the preparation, compilation and review of the geological and technical contents of this press release.

About Palamina Corp.

Palamina has acquired the application and mining rights to five gold projects in south-eastern Peru in the Puno Orogenic Gold Belt (POGB), one copper-gold project in the coastal I.O.C.G. belt in Southern Peru and holds 100% interest in one exploration project in Mexico. Palamina's Peruvian based exploration team have a cumulative 35 years' experience in the POGB and are supported by a board of directors and advisors who are proven mine finders, deal makers and financiers. Palamina has 29,621,381 shares outstanding and trades on the TSX Venture Exchange under the symbol PA.

FOR FURTHER INFORMATION PLEASE CONTACT:

Andrew Thomson, President
Phone: (416) 987-0722 or visit www.palamina.com

This news release contains certain "forward-looking statements" within the meaning of such statements under applicable securities law. Forward-looking statements are frequently characterized by words such as "plan", "continue", "expect", "project", "intend", "believe", "anticipate", "estimate", "may", "will", "potential", "proposed" and other similar words, or statements that certain events or conditions "may" or "will" occur. These statements are only predictions. Various assumptions were used in drawing the conclusions or making the projections contained in the forward-looking statements throughout this news release. Forward-looking statements include, but are not limited to, the use of proceeds of the Offering and the Company's future business plans. Forward-looking statements are based on the opinions and estimates of management at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. The Company is under no obligation, and expressly disclaims any intention or obligation, to update or revise any forward-looking

statements, whether as a result of new information, future events or otherwise, except as expressly required by applicable law. A more complete discussion of the risks and uncertainties facing the Company appears in the Company's continuous disclosure filings, which are available at www.sedar.com.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.