



NEWS RELEASE

TSX.V PPX; BVL PPX

Peruvian Precious Metals Corp. Announces Further Increase to Private Placement and Closing of First Tranche

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DISSEMINATION IN THE UNITED STATES.

Vancouver, British Columbia – July 25, 2016 – Peruvian Precious Metals Corp. (the "**Company**"), is pleased to announce that the non-brokered private placement previously announced on July 5, 2016 and July 18, 2016 at \$0.05 per unit ("**Unit**") has been further increased from 52,000,000 Units to 57,500,000 Units and that the first tranche of 32,496,000 Units for aggregate gross proceeds of \$1,624,800 has closed. Each Unit consists of a common share and ½ of a common share purchase warrant (a "**Warrant**"). Each Warrant entitles the holder to purchase a common share at a price of \$0.075 on or before July 22, 2018.

In consideration for introducing certain first tranche subscribers to the private placement, the Company is paying a cash finders' fee of 6% of the amount raised and issuing 591,000 warrants (the "**Finder's Warrants**") to arm's length finders, representing 6% of the total number of Units sold to subscribers introduced to the Company by the finders. Each Finder's Warrant entitles the holder, on exercise thereof, to purchase one common share at a price of \$0.075 for 24 months.

Securities issued to the places under the private placement will be subject to a four-month hold expiring on November 23, 2016, in accordance with applicable Canadian securities laws. The Company intends to use the proceeds of the private placement for general working capital purposes.

Diego de la Torre de la Piedra a director of the Company purchased 396,000 Units, under the private placement. His participation is considered to be a "related party transaction" as defined under Multilateral Instrument 61-101 ("**MI 61-101**"). The transaction is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 as neither the fair market value of the securities to be distributed in the Private Placement nor the consideration to be received for those securities, in so far as the Private Placement involves Diego de la Torre de la Piedra, exceeds 25% of the Company's market capitalization.

The Company did not file a material change report more than 21 days before the expected closing of the private placement as the details of the private placement and the participation therein by related parties of the Company were not settled until shortly prior to closing and the Company wished to close on an expedited basis for sound business reasons and in a timeframe consistent with usual market practices for transactions of this nature.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**") or any state securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons

unless registered under the U.S. Securities Act and applicable state securities laws, unless an exemption from such registration is available.

**On behalf of the Board of Directors
Brian J. Maher
President and Chief Executive Officer**

FOR FURTHER INFORMATION, PLEASE CONTACT:

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Cautionary Statement:

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.

Certain disclosure in this release, including statements regarding the terms of the private placement, the possible completion of the private placement and the intended use of proceeds from the private placement, may constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 and Canadian securities legislation. In making the forward-looking statements in this release, the Company has applied certain factors and assumptions that the Company believes are reasonable, including that the Company is able to obtain any required regulatory approvals to complete the Company's planned private placement, that the Company is able to complete the private placement, and that the Company will be able to use the proceeds from the private placement as intended. However, the forward-looking statements in this release are subject to numerous risks, uncertainties and other factors that may cause future results to differ materially from those expressed or implied in such forward-looking statements. Such uncertainties and risks are detailed from time to time in the Company's filings with the appropriate securities commissions, and may include, among others, that the private placement will not complete, market conditions, and delays in obtaining or failure to obtain required regulatory approvals or financing. 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. Readers are cautioned not to place undue reliance on forward-looking statements. The Company does not intend, 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 required by law.