



NEWS RELEASE

TSX.V PPX; BVL PPX

**Peruvian Precious Metals Corp. Announces
Non-Brokered Private Placement of Units, Cancellation or Previously Announced
Financing**

NOT FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR FOR DISSEMINATION
IN THE UNITED STATES.

Vancouver, British Columbia – December 17, 2014 – Peruvian Precious Metals Corp. (the "**Company**"), is pleased to announce a non-brokered private placement offering of up to 2,223,626 units ("**Units**") at a price of \$0.13 per Unit to raise gross proceeds of up to \$289,071.

Each Unit consists of one common share of the Company (a "**Common Share**") and one Common Share purchase warrant (a "**Warrant**"). Each Warrant entitles the holder, on exercise thereof, to purchase one additional Common Share at a price of \$0.18 for a period of 24 months from the completion of the private placement, provided that if the daily volume weighted average price for twenty (20) consecutive days of trading of the Company's shares on the TSX Venture Exchange (or such other stock exchange on which shares of the Company are listed) exceeds \$0.24 per share, the Company will have the right to accelerate the expiry date of the Warrants by giving notice to the holders of the Warrants that the Warrants will expire on the date that is not less than thirty (30) calendar days from the date notice is given.

The private placement is subject to all necessary regulatory approvals including acceptance from the TSX Venture Exchange. All securities issued under the private placement will be subject to a four-month hold period from the closing date under applicable Canadian securities laws, in addition to such other restrictions as may apply under applicable securities laws of jurisdictions outside Canada. Certain insiders of the Company may acquire securities under the private placement. The Company intends to use the proceeds from the private placement for general working capital purposes.

The Company may pay a finder's fee in connection with the private placement of 7 per cent in Units under the same terms or the offering, with respect to certain private placement subscribers and in accordance with the policies of the TSX Venture Exchange.

The Company also announces that it will not proceed with its previously announced private placement of convertible debentures in the principal amount of \$5,814,008.14. For further details of the private placement, please refer to the Company's news release dated February 19, 2014.

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.