



NEWS RELEASE

TSX.V PPX; BVL PPX

Initial Design on Processing Plant Completed, Plan de Minado for Igor Ready for Final Approval

Vancouver, British Columbia – December 3, 2015 – Peruvian Precious Metals Corp. (the "Company" or "Peruvian") is pleased to provide the following update on its Igor Project test mining and bulk sampling project in the Department of La Libertad in northern Peru. AM Mining S.A.C. (AMM), who have partnered with Peruvian to construct a 350 tpd conventional milling and processing plant at the Igor project, have made significant early progress since the contract between the Company and AMM was completed in July. Specifically:

- AMM and its engineering team have completed an initial design for the gold and silver processing plant that will be constructed at the Igor project site. Major components include a seven by twelve foot ball mill for primary grinding, a six by six foot ball mill for secondary grind, six 20 by 20 foot leach tanks and supporting crushing, pumping and leaching equipment. The plant will utilize carbon-in-pulp (CIL) technology for leaching and gold recovery.
- Site work has progressed and a basic plant layout has been completed that reflects the site topography and soil engineering. Additional design work will focus on the layout of the office, laboratory, security and other support structures.
- AMM has signed a contract with Asesores y Consultores Mineros S.A. ("ACOMISA"), a Lima based consulting firm that specializes in permitting mining and mineral processing projects in Peru. With the selection of ACOMISA as the lead permitting consultant, the permitting process for the processing plant has accelerated.

The Company is pleased to report that all the additional information requested in the observations (comments) made by the Federal Ministry of Energy and Mines (MEM) on our Plan de Minado has been submitted to the MEM and the Regional Government Ministry of Energy and Mines in La Libertad (GREMH-LL). The Plan de Minado is now under final review by the MEM and will be referred back to GREMH-LL for formal approval shortly. The Plan de Minado, is the key permit to begin test mining operations at Igor on the Callanquitas structure. With final approval of the Plan de Minado, our mining partner Proyectos La Patagonia S.A.C. (PLP) will be able to receive their Certificate of Mine Operations (COM) followed by their Explosives Permit. This will allow PLP to begin initial surface activities at Callanquitas and be on schedule to begin shipping bulk samples in Q1 2016.

Brian J. Maher, President and CEO of Peruvian commented: "Peruvian is pleased with the continued advances at our Igor Mine Project. Permitting for the bulk sampling and test mining is nearly complete and remains on schedule. The progress made by AMM with initial plant design, site engineering, plant layout, and their selection of a permitting consultant demonstrates solid progress on our mineral processing plant and we look forward to continued progress by AMM."

About Peruvian Precious Metals Inc.: Peruvian Precious Metals (PPX: TSX.V; BVL) is currently exploring and evaluating mine development opportunities at its Igor Mine Project in Northern Peru. The Igor project explores several high grade, gold and silver mineralized high-angle structures that host significant gold and silver resources. The Callanquitas Structure at the Igor Project contains Inferred gold

and silver resources of 7,189,000 tonnes grading 1.94 gpt gold and 71.8 gpt silver containing 448,500 ounces of gold and 16,600,000 ounces of silver at a cutoff grade of 1.5 gpt gold equivalent. Included within this resource estimate is a higher grade zone consisting of 2,730,000 tonnes grading 2.73 gpt gold and 119.1 gpt silver containing 239,400 ounces of gold and 10,500,000 ounces of silver using a 3.0 gpt gold equivalent cutoff grade (Please see Technical Report as amended on September 27, 2013 entitled "Technical Report on the Callanquitas Structure, Igor Mine Project, Northern Peru, South America", available on the Company's web site or SEDAR). Mineral resources are not mineral reserves and do not have demonstrated economic viability. There is no certainty that all or any part of the mineral resource will be converted into mineral reserves. The Company is continuing its exploration and development of the Igor Project including an underground test mining and bulk sampling program designed to generate data to evaluate future mine development options at Igor.

All scientific and technical information in this press release has been reviewed and approved by Quentin J. Browne, P.Geo., Independent Consulting Geologist to Peruvian Precious Metals, who is a qualified person under the definitions established by National Instrument 43-101.

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

FOR FURTHER INFORMATION, PLEASE CONTACT:

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This news release includes certain forward-looking statements or information. All statements other than statements of historical fact included in this release, including, without limitation, statements relating to the potential mineralization and geological merits of the Igor Mine Project and other future plans, objectives or expectations of Peruvian Precious Metals Inc. (the "Company") are forward-looking statements that involve various 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 plans or expectations include risks relating to the actual results of current exploration and development activities, fluctuating gold prices, possibility of equipment breakdowns and delays, exploration cost overruns, availability of capital and financing, general economic, market or business conditions, regulatory changes, timeliness of government or regulatory approvals and other risks detailed herein and from time to time in the filings made by the Company with securities regulators. The Company 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 otherwise required by applicable securities legislation. 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.