

CHAKANA COPPER CORP.

NEWS RELEASE

CHAKANA INTERCEPTS 76 M OF 0.93 g/t Au, 1.04% Cu, AND 53.1 g/t Ag AND PROVIDES EXPLORATION UPDATE

Vancouver, B.C., February 7, 2018 – Chakana Copper Corp. (TSX-V: PERU) (the “Company” or “Chakana”), is pleased to provide a general exploration update and announce assays from an additional six holes at its Soledad copper-gold-silver project in central Peru, optioned from Condor Resources Inc. The Soledad project (the “Project”) is located 35 km south of the Pierina mine in the prolific Miocene metallogenic belt of Peru. These results are a successful continuation of the drilling program that was initiated August 16, 2017, with the results of the first ten drill holes released previously (see: www.chakanacopper.com).

“The latest results are consistent with the earlier results in confirming the high-grade nature of the mineralization in the first of nine mineralized breccia pipes to be drilled by the company,” said President and CEO David Kelley. “We continue to see strong mineralization in the matrix of the breccia (Fig. 1). In addition to the nine confirmed pipes, there are numerous other occurrences of strongly altered andesite with sheeted quartz-sericite-sulfide veining, indicating the possible presence of blind pipes. These will be tested in our drill program throughout the year.”

Significant new mineralized intervals from Breccia Pipe #1 are:

| DDH # | Az | Dip | From - To (m) | | Core length (m) | Au g/t | Ag g/t | Cu % | Zn % | Pb % | Cu-eq %* | Au-eq g/t* |
|--------------|-----------|------------|--------------------------|-------|--------------------------------|-------------------|-------------------|-----------------|-----------------|-----------------|---------------------|-----------------------|
| SDH17-027 | 190 | -65 | 0.0 | 12.0 | 12.0 | 3.54 | 78.1 | | | | | 4.56 |
| and | | | 133.4 | 143.0 | 9.6 | 1.60 | 6.0 | 0.29 | | | 1.39 | 2.12 |
| and | | | 161.0 | 168.0 | 7.0 | 0.81 | 49.4 | 1.93 | 0.76 | 0.36 | 2.88 | 4.41 |
| SDH17-028 | 255 | -75 | 0.0 | 14.0 | 14.0 | 4.48 | 27.3 | | | | | 4.84 |
| and | | | 204.25 | 231.4 | 27.15 | 0.76 | 74.0 | 2.51 | | | 3.64 | 5.57 |
| SDH17-029 | 210 | -75 | 0.0 | 14.4 | 14.4 | 5.84 | 38.0 | | | | | 6.34 |
| and | | | 94.9 | 121.0 | 26.1 | 0.63 | 226.6 | 3.69 | 0.84 | 0.76 | 6.04 | 9.24 |
| and | | | 133.0 | 145.0 | 12.0 | 0.17 | 8.5 | 0.69 | | | 0.87 | 1.34 |
| and | | | 203.0 | 222.0 | 19.0 | 2.01 | 32.4 | 1.97 | | | 3.56 | 5.45 |
| SDH17-030 | 170 | -77 | 0.0 | 14.0 | 14.0 | 3.29 | 68.6 | | | | | 4.19 |
| and | | | 98.0 | 118.0 | 20.0 | 0.71 | 18.1 | 0.44 | | | 1.06 | 1.62 |
| SDH17-031 | 145 | -83 | 0.0 | 135.0 | 135.0 | 1.02 | 35.2 | 0.60 | | | 1.57 | 2.40 |
| including | | | 0.0 | 59.0 | 59.0 | 1.15 | 12.1 | | | | | 1.31 |
| including | | | 59.0 | 135.0 | 76.0 | 0.93 | 53.1 | 1.04 | | | 2.10 | 3.22 |
| SDH17-032 | 270 | -70 | 0.0 | 28.0 | 28.0 | 3.39 | 13.0 | | | | | 3.56 |

* Cu_eq and Au_eq values were calculated using copper, gold, and silver. Metal prices utilized for the calculations are Cu – US\$2.90/lb, Au – US\$1,300/oz, and Ag – US\$17/oz. No adjustments were made for recovery as the project is an early stage exploration project and metallurgical data to allow for estimation of recoveries are not yet available. The formulas utilized to calculate equivalent values are Cu_eq (%) = Cu% + (Au g/t * 0.6556) + (Ag g/t * 0.00857) and Au_eq (g/t) = Au g/t + (Cu% * 1.5296) + (Ag g/t * 0.01307). Assays for zinc and lead are not used in the metal equivalent calculations. The true widths of the mineralized intervals reported in this release are difficult to ascertain and additional drilling will be required to constrain the geometry of the mineralized zones.

The focus of the drilling program is to determine the economic potential of several quartz-tourmaline-sulfide breccia pipes that crop out at surface. Phase 1 of the program is ongoing for a total of 9,191m drilled to date of an original planned program of 16,660m. Phase 1 is directed toward pipes #1 and #5 (Bx #1 and Bx #5). Phase 2 is an expanded drill program proposed under a Semi-detailed environmental impact assessment permit (EIA-SD) that was submitted for review to the Ministry of Energy and Mines on December 29, 2017. Phase 2 will allow for additional step-out drilling and testing a number of other pipes and targets identified on the Project.

The pipes form a cluster within 4 km² and are spaced between 176m to 625m apart with vertical relief between the pipes of over 500m. Based on detailed mapping, Bx #1 has a surface diameter of approximately 40m and Bx #5 of approximately 50m. Mineralization is open at depth in both pipes based on previous drilling. Drilling is designed to determine the geometry (volume) of the breccia hosted mineralization and the grade. Tourmaline breccia pipes can have diameters that increase at depth, and often have higher grades at the margin of the pipe where permeability of the breccia is highest. Drilling at the Project is designed to test this from surface to 400m depth based on: 1) drilling from a central platform at various azimuths and dip angles to penetrate the margin of the breccia throughout its vertical extent; and 2) from platforms outside the pipe to drill across the breccia body. The six holes being reported were drilled from a central platform. Mineralized intercepts will vary in length due to the shape of the breccia body and the orientation of the drill hole (see Figure 2). For example, shallow holes drilled near the perimeter of the pipe may have shorter intercepts compared to steeper holes. Nonetheless, all holes that intersect mineralized breccia are important for constraining the overall shape and grade of the breccia body. Once a sufficient number of intercepts are obtained and modelled, the overall geometry of the breccia body and the grade profile will become apparent.

Sampling and Analytical Procedures

Chakana follows rigorous sampling and analytical protocols that meet industry standards. Samples for assay are stored in a secured area until transport in batches to the ALS facility in Callao, Lima, Peru. Samples are processed under the control of ALS with the samples including certified reference materials, a coarse and finely-crushed blank and duplicates samples. All samples are analyzed using the ME-MS41 procedure in order to obtain a comprehensive multi-element overview of the geochemistry. Gold is analyzed by ME-MS41 (not considered reliable), AA24 (higher precision) and GRA22 when values exceed 10 g/t. Over limit silver, copper, lead and zinc is analyzed using the OG-46 procedures.

Additional information concerning the Project is available in a technical report prepared in accordance with National Instrument 43-101 made available on Chakana's SEDAR profile at www.sedar.com.

Qualified Person

David Kelley, an officer and a director of Chakana, and a Qualified Person as defined by NI 43-101, reviewed and approved the technical information in this news release.

ON BEHALF OF THE BOARD

(signed) “David Kelley”

David Kelley
President and CEO

For further information contact:

Michelle Borromeo, Manager – Corporate Communications

Phone: 604-715-6845

Email: mborromeo@chakanacopper.com

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

This release may contain forward-looking statements. Forward-looking statements involve known and unknown risks, uncertainties, and other factors which may cause the actual results, performance, or achievements of Chakana to be materially different from any future results, performance, or achievements expressed or implied by the forward-looking statements. Forward looking statements or information relates to, among other things, the interpretation of the nature of the mineralization at the project, the potential to grow the project, the potential to expand the mineralization, the planning for further exploration work, the ability to de-risk the potential exploration targets, and our belief about the unexplored parts of the project. These forward-looking statements are based on management’s current expectations and beliefs but given the uncertainties, assumptions and risks, readers are cautioned not to place undue reliance on such forward- looking statements or information. The Company disclaims any obligation to update, or to publicly announce, any such statements, events or developments except as required by law.



Figure 1 – Core from SDH17-031 for 105.9 to 111.3m showing strong copper mineralization in the matrix of the tourmaline breccia.

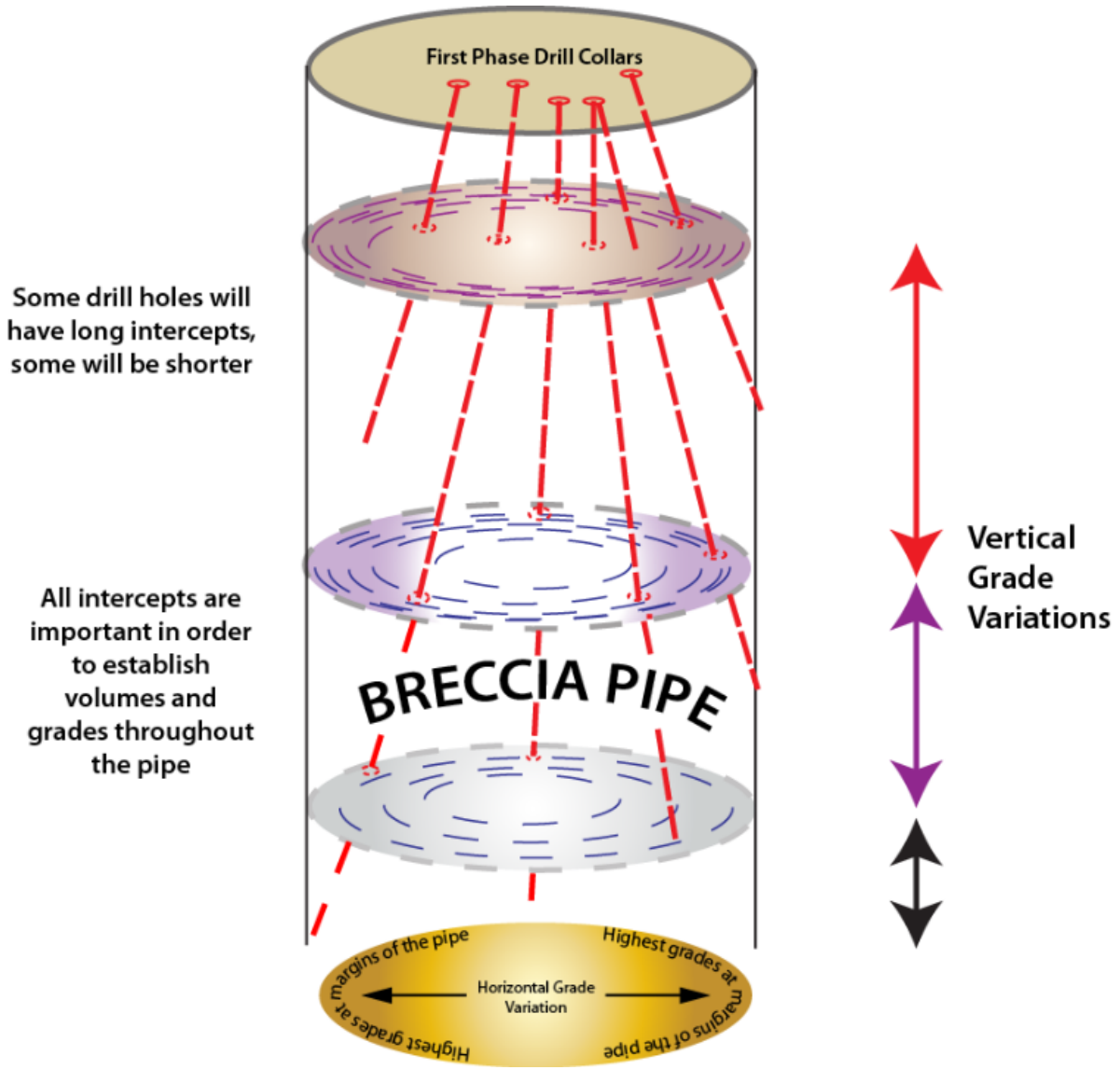


Figure 2 – Diagram showing relationship between drill intercepts and breccia pipe geometry with emphasis on vertical and horizontal grade variation. (draft version)