



NEWS RELEASE

BRECCIA 7: FIRST PASS DRILLING CONFIRMS A FOURTH MINERALIZED BRECCIA PIPE AT SOLEDAD

INTERSECTS 31 METRES WITH 0.68 g/t GOLD, 205.9 g/t SILVER, AND 0.23% COPPER (3.72 g/t Au_EQ, 2.44% Cu_EQ)

Vancouver, B.C., July 29, 2019 – Chakana Copper Corp. (TSX-V: PERU; OTCQB: CHKCF; FRA: 1ZX) (the “Company” or “Chakana”), is pleased to release the first drill results from scout drilling on Breccia Pipe 7 (Bx 7) at the Soledad copper-gold-silver project in central Peru. All four drill holes intersected significant mineralization, including 31.0m with 0.68 g/t Au, **205.9 g/t Ag**, and 0.23% Cu from 157m in hole SDH19-111 and 35.0m with 0.80 g/t Au, 53.8 g/t Ag, 0.35% Cu from surface in hole SDH19-114. This is the first time Bx 7 has been drilled.

Bx 7 is located 340 metres northeast of Bx 1 and is one of twenty-three outcropping breccia pipes identified to date on the property (Fig. 1). Including Bx 7, only five of the twenty-three breccia pipes have been drilled to date. The four shallow holes reported here were designed to explore the uppermost 200m segment of Bx 7 (Figs. 2 and 3) and to provide some indication of pipe geometry and grade distribution. Drill collars were located outside of the breccia pipe within the wall rock that hosts the breccia. All drill holes achieved the objective of intersecting the pipe, defining contacts on opposite sides of the pipe.

“These initial scout drilling results are excellent in that they confirm a fourth mineralized breccia pipe on the property. Bx 7 appears to be more enriched in silver and gold compared to copper although that could change with depth. It is difficult to determine the geometry of the pipe with just four drill holes, but we currently estimate the diameter between 40-50m,” said President and CEO David Kelley. “It is also noteworthy that hole SDH19-111 intersected 12.6m of mineralized breccia 15m north of the main breccia body (Fig. 3). This is reminiscent of the blind breccia body encountered in drilling Bx 1 (see news release dated June 26, 2018). Several additional holes will be drilled under SDH19-111 after the scout drilling of the Phase 3 drill program is nearing completion,” added Kelley. Examples of mineralized breccias from holes in this release are shown in Figures 4 and 5.

About the Phase 3 Drill Program

The Phase 3 drill program is planned for 20,000m to test a variety of targets on the expanded property and to complete additional definition drilling. Based on extensive surface exploration work completed since Phase 2 drilling, a total of 92 targets have been defined and ranked. Targets are categorized as 1) outcropping breccia (n=45), 2) inferred breccia on the basis of breccia float, geochemistry or geophysics (n=39); and 3) non-breccia or intrusive-hosted mineralization and polymetallic vein occurrences (n=8). Of these targets, 23 are tourmaline breccia pipes, and 12 others are areas possessing the alteration characteristic of the halo proximal to known breccia pipes. The strategy is to drill approximately 750m into each target in accordance with permitting and ranking criteria to further determine if closer-spaced drilling is justified. The drill rig will move to other targets for initial scout drilling and Bx 6 for additional drilling on the upper breccia.

Mineralized intervals from Breccia Pipe 7 include:

| Bx 7 - Exploration Holes | | | | | | | | | | | |
|---------------------------------|-----------|------------|--------------------------|---------------|----------------------------|-------------------|-------------------|-----------------|---------------------|-----------------------|-------------|
| DDH # | Az | Dip | From - To (m) | | Core Length (m) | Au g/t | Ag g/t | Cu % | Cu-eq %* | Au-eq g/t* | Note |
| SDH19-111 | 146.6 | -70.6 | 42.00 | 54.60 | 12.60 | 0.38 | 6.3 | 0.22 | 0.52 | 0.80 | |
| and | | | 132.65 | 195.00 | 62.35 | 0.43 | 118.4 | 0.13 | 1.42 | 2.18 | |
| including | | | 157.00 | 188.00 | 31.00 | 0.68 | 205.9 | 0.23 | 2.43 | 3.72 | |
| and | | | 202.00 | 213.00 | 11.00 | 0.08 | 29.1 | 0.03 | 0.33 | 0.51 | 1.13% Pb |
| SDH19-112 | 84.6 | -70.2 | 65.35 | 197.00 | 131.65 | 0.59 | 56.9 | 0.09 | 0.96 | 1.47 | |
| including | | | 149.00 | 181.00 | 32.00 | 0.83 | 127.4 | 0.14 | 1.77 | 2.71 | |
| and | | | 211.00 | 215.00 | 4.00 | 0.06 | 36.9 | 0.05 | 0.40 | 0.62 | 1.92% Pb |
| SDH19-113 | 113.9 | -67.4 | 0.00 | 99.00 | 99.00 | 0.43 | 15.2 | 0.13 | 0.54 | 0.83 | |
| including | | | 10.50 | 31.00 | 20.50 | 0.68 | 21.0 | 0.33 | 0.95 | 1.46 | |
| and | | | 109.00 | 118.00 | 9.00 | 0.50 | 10.1 | 0.05 | 0.46 | 0.71 | |
| SDH19-114 | 197.1 | -55.3 | 0.00 | 95.80 | 95.80 | 0.70 | 22.7 | 0.21 | 0.86 | 1.32 | |
| including | | | 0.00 | 35.00 | 35.00 | 0.80 | 53.8 | 0.35 | 1.33 | 2.04 | |

* 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).

Reported mineralized intervals are not true widths given the vertical nature of the breccia pipe and the steep inclination of the holes.

Sampling and Analytical Procedures

Chakana follows rigorous sampling and analytical protocols that meet or exceed industry standards. Core samples are stored in a secured area until transport in batches to the ALS facility in Callao, Lima, Peru. Sample batches include certified reference materials, blank, and duplicate samples that are then processed under the control of ALS. All samples are analyzed using the ME-MS41 (ICP technique that provides a comprehensive multi-element overview of the rock geochemistry), while gold is analyzed by AA24 and GRA22 when values exceed 10 g/t. Over limit silver, copper, lead and zinc are analyzed using the OG-46 procedure. Soil samples are analyzed by 4-acid (ME-MS61) and for gold by Fire Assay on a 30g sample (Au-ICP21).

Results of previous drilling and additional information concerning the Project, including a technical report prepared in accordance with National Instrument 43-101, are 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

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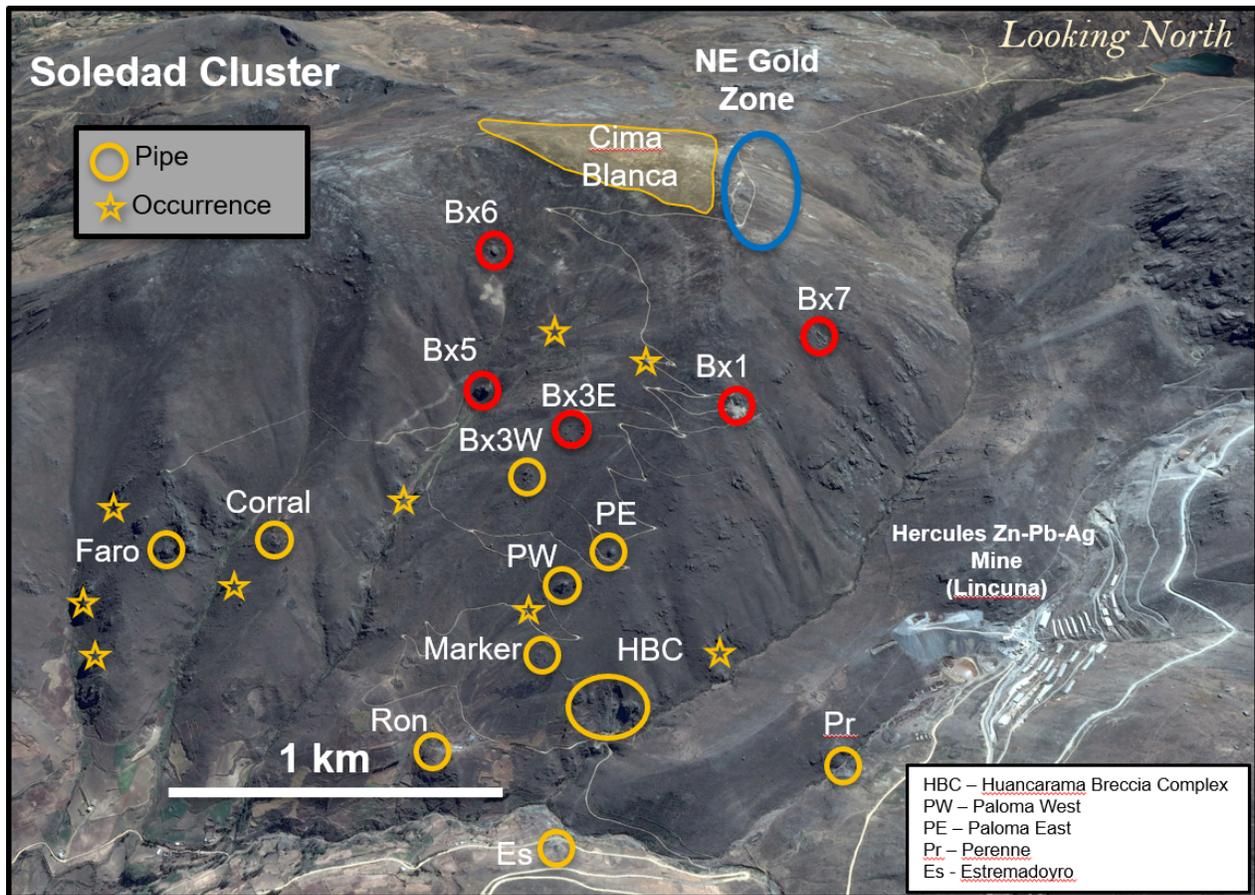


Figure 1 – View looking north showing breccia pipes and occurrences within the Soledad cluster. Pipes that have been drilled are shown in red. Additional breccia pipes not shown occur in the Compañero cluster on the south half of the property.

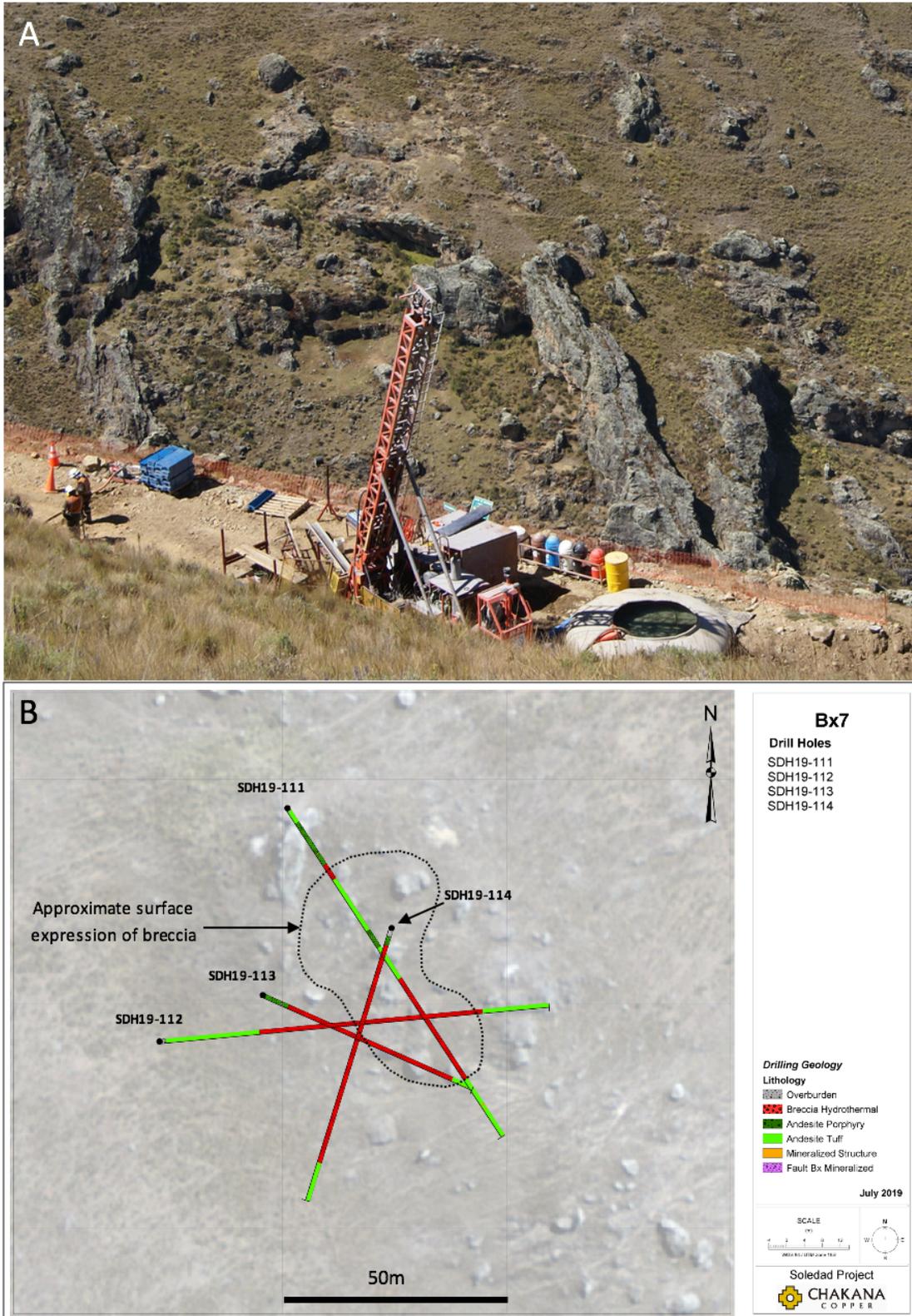


Figure 2 – A) View looking east at drill set up for SDH19-112 on Bx 7; B) map showing drill holes with geology discussed in this release. Dashed line shows approximate surface expression of breccia based on outcrop and float mapping.

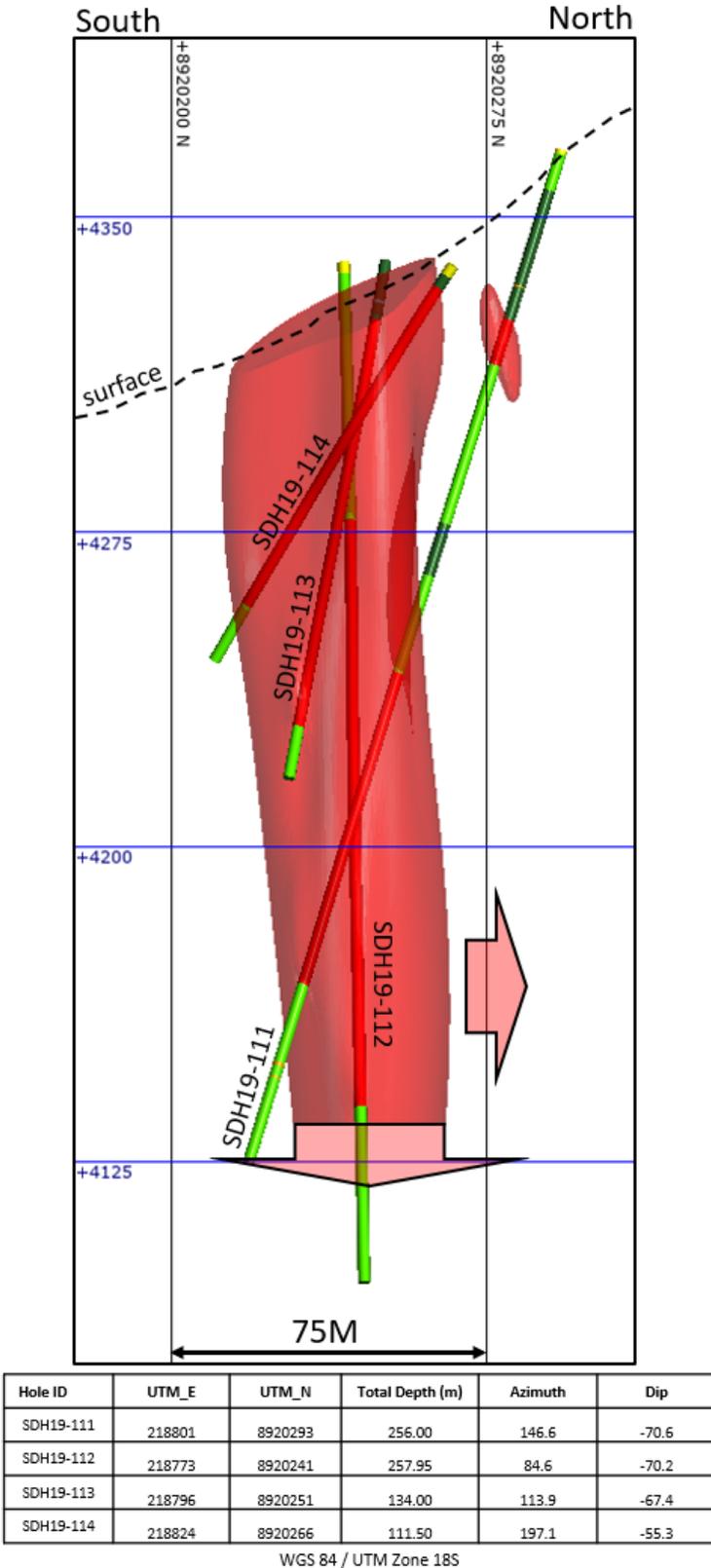


Figure 3 – Section looking west showing the modeled breccia pipe at Bx 7 highlighting holes in this release. Light red 3D shape is based on Leapfrog model of breccia from the 4 holes in this release. Drill hole traces show tourmaline breccia (red), andesitic tuff (green) and porphyritic andesite (dark green). Section includes data from 75m in front of section. Red arrows indicate open direction of tourmaline breccia from this perspective.



Figure 4 – Mineralized intercepts from drill holes reported in this release showing different styles of mineralization in Bx 7: A) SDH19-111 – mosaic breccia with large clasts of volcanic wall rock and quartz-sulfide cemented matrix (note vugs with euhedral quartz and sulfide minerals); the interval 157.0-163.0m assays 0.68g/t Au, 0.44% Cu, and 415.6g/t Ag; B) SDH19-112 – mosaic breccia with quartz-sulfide cemented matrix; the interval 153.0-158.0m assays 0.46g/t Au, 0.21% Cu, and 194.2g/t Ag; C) SDH19-113 – clast supported breccia with sulfide matrix (note local intervals of shingle breccia); the interval 22.0-27.0m assays 0.57g/t Au, 0.37% Cu, and 39.4g/t Ag; D) SDH19-114 – mosaic breccia with quartz-sulfide cemented matrix; the interval 22.0-27.0m assays 2.00g/t Au, 0.10% Cu, and 13.9g/t Ag.



Figure 5 – Detailed core photos from drill holes discussed in this release; A) SDH19-111, 158.0m, chaotic shingle breccia and blocks with sheeted veining with quartz-pyrite-chalcopyrite cemented matrix; B) SDH11-111, 175.3m, quartz-pyrite-chalcopyrite cemented breccia; C) SDH19-112, 108.15m, mosaic breccia with tourmaline cement and chalcopyrite replacing clasts; D) SDH19-112, 157.9m, quartz-pyrite-chalcopyrite cemented breccia; E) SDH19-113, 15.4m, covellite in fracture at contact between andesite and tourmaline breccia; F) SDH19-114, 93.0m coarse mosaic breccia with pyrite-chalcopyrite cement.