C3 Metals Confirms High Grade Cu-Au Mineralization at Jasperoide Project, Peru

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Drill Program Expanded to 10,000 Metres

Toronto, May 25, 2021 - C3 Metals Inc. (TSXV: CCCM) ("C3 Metals" or the "Company") is pleased to announce first assay results from its drill program at the Jasperoide Copper-Gold Project in southern Peru. Drilling commenced in February in the southern Montaña de Cobre Zone with 15 holes now completed on two section lines for a total of 3,647m. Results from seven holes on the first drill section intersected broad zones of high-grade copper-gold mineralization within a larger low-moderate grade envelope. The drill program will now proceed to its planned 10,000m looking to expand the near surface copper-gold footprint.

Drill Program Highlights:

- Assays confirm broad intervals of high-grade copper-gold mineralization, including:

JAS2650-01

- 129.0m @ 0.49% Cu and 0.37 g/t Au from 41m (0.78% CuEq) including
    - 52.0m @ 0.78% Cu and 0.67 g/t Au from 109.0m (1.29% CuEq)

JAS2650-03

- 54.05m @ 1.17% Cu and 0.45 g/t Au from 70.4m (1.51% CuEq) and
- 26.10m @ 2.19% Cu and 0.69 g/t Au from 154.9m (2.72% CuEq)

JAS2650-05

- 53.24m @ 3.11% Cu and 0.46 g/t Au from 92.6m (3.46% CuEq) including
    - 29.84m @ 4.96% Cu and 0.56 g/t Au from 116.0m (5.39% CuEq) includes
    - 17.10m @ 6.69% Cu, 0.59g/t Au from 128m (7.15% CuEq)
- 17.00m @ 2.10% Cu and 0.61 g/t Au from 178.0m (2.58% CuEq)

JAS2650-06

- 117.30m @ 1.31% Cu and 0.15 g/t Au from 1.70m (1.45% CuEq) including:
    - 60.0m @ 2.38% Cu and 0.14 g/t Au from 59.0m (2.51% CuEq) includes
    - 38.50m @ 3.50% Cu and 0.12 g/t Au from 77.0m (3.63% CuEq) includes
    - 16.0m @ 6.39% Cu and 0.06 g/t Au from 99.2m (6.45% CuEq)

JAS2650-07

- 43.00m @ 1.67% Cu and 0.14 g/t Au from 79.00m (1.79% CuEq) including:
    - 18.10m @ 3.72% Cu and 0.02 g/t Au from 103.9m (3.76% CuEq) includes
    - 10.00m @ 4.23% Cu and 0.02 g/t Au from 112.0m (4.26% CuEq)

- Drilling indicates a well-developed copper enrichment profile and supergene blanket
- Secondary copper species are dominated by malachite, azurite, chrysocolla and chalcocite

Kevin Tomlinson, CEO of C3 Metals commented,

"We are delighted with the first drill results from Jasperoide in nearly 10 years. The initial two-fan fence of holes has confirmed and expanded lateral continuity of the high-grade copper-gold skarn mineralization and has significantly increased our understanding of the broader hydrothermal system.

We now have high confidence in not only the newly expanded lateral extent of the skarn system but also the grades in areas where we drilled infill holes to confirm high-grade intercepts previously reported. This drilling is an important first step in our march towards a better understanding of the skarn mineralization controls but also in providing a solid base for future resource estimates.

With these first results now under our belt, we are continuing the program to 10,000m to build further confidence in the known mineralization and to step out to untested skarn targets north and south of Montaña de Cobre Zone. Drilling on the third section line, 100m to the north, is continuing to intersect deeply oxidized skarn with visible secondary copper mineralization."

The Jasperoide skarn was discovered in 1994 but over the past 27 years has seen just four years of exploration by previous operators. Historic exploration activities were mainly focussed on the Montaña de Cobre Zone and involved surface mapping, sampling, ground magnetic and IP surveys and diamond drilling. A total of 10,175.7m in 52 holes was completed in three drilling campaigns conducted in 1994 (2,689.89m in 14 holes), 1996 (1,854.2m in 13 holes) and 2011-12 (5,632.32m in 25 holes) by a previous owner[1]. C3 Metal's drill program is the first exploration program undertaken at Jasperoide since 2012.

The Company's Phase 1 exploration drill program at the Montaña de Cobre Zone was designed to confirm and increase confidence in the lateral extent of the copper-gold mineralization through both infill and step-out drilling on a 50-metre grid. Unlike porphyry deposits, skarn deposits are well known to demonstrate higher variability in alteration and mineralization, hence the Company has elected to use a tighter grid spacing as a judicious approach to not only gain a better understanding of the system but as the basis for future resource calculation. As a result, the Company has high confidence in the copper-gold mineralization having a 450m lateral extent on section JAS2650.

Copper-gold mineralization at Jasperoide is associated with skarn altered carbonate rocks of the Ferrobamba Formation ("Exoskarn") and granodiorite and tonalite intrusive rocks ("Endoskarn"). Exoskarn comprises a partially to completely replaced dolomite with an alteration assemblage of coarse garnet, diopside and lesser epidote. Endoskarn is characterized by pervasive to fracture controlled garnet, epidote and diopside alteration in granodiorite and tonalite. Late-stage retrograde alteration overprints both the Endoskarn and Exoskarn and is characterized by intense magnetite flooding with lesser quartz, calcite and specular hematite.

The drilling program has been planned to define the dimensions of the skarn system and, more importantly, to identify the pathway for mineralizing hydrothermal fluids which may have vented off from a porphyry copper system at depth. Drill progression will continue northwards to the Cresta Verde Zone, after completing the expanded program at the Montaña de Cobre Zone and then to the south into the Callejón de Oro zone.

Montaña de Cobre Zone Drill Results

A total of 15 holes for 3,647m of diamond core drilling have been completed to date. The drill rig is currently drilling the first hole on section line JAS2750, 100m to the north of line JAS2650 reported in this release (see Figure 1).

Two drill fans completed on section line JAS2650 (1,741.1m) confirm that skarn alteration and mineralization are well developed for over 450m laterally with the system open to the west, north, south and at depth (see Figure 2). Drilling indicates the skarn horizon dips 15 to 25 degrees westward and is vertically zoned with respect to alteration and mineralization. Holes JAS2650-01, 02, 04 and 07 were drilled as step-out holes, JAS2650-03 and 06 as infill holes and JAS2650-05 is a scissor hole to JAS2650-03. Infill holes were required to ensure the reliability of high-grade results reported by previous operators which could carry significant influence in future resource calculations.

Drilling confirms a moderate to strongly leached exoskarn (Low Grade Domain) is followed at depth by a

strongly oxidized magnetite skarn that is massive or brecciated (Low to Medium Grade Domain) and transitions into an enrichment zone at depth (High Grade Domain). Secondary copper species observed to date include malachite, azurite, chalcocite and chrysocolla (see Figure 3). Copper sulphide mineralization is rare but has been observed at deeper levels in the system (+175 m depth) and comprises chalcopyrite in veins and as coarse disseminations.

Drill holes JAS2650-05, 06 and 07 intersected a high-grade zone of copper mineralization at the eastern skarn zone area. Each hole intersected a breccia with significant secondary copper species and all located proximal to the marble contact. JAS2650-06 intersected 16.00m (99.2 - 115.2m) @ 6.39% Cu, JAS2650-05 intersected 17.10m (128 - 145.10m) @ 6.69% Cu and JAS2650-07 intersected 10m (112-122m) @ 4.23% Cu (see Figure 4). This enriched zone might be further infill drilled to better understand its dimensions, as this is an important mineralized body.

Significant assays from the first seven holes are included in the following table.

Table 1. Significant drilled intercepts

Hole	From	To	Interval	Cu (%)	Au (g/t)	Ag (g/t)	CuEq (%)
JAS2650-01	41.0	170.0	129.00	0.49	0.37	2.25	0.78
Including	109.0	161.0	52.00	0.78	0.67	3.15	1.29
JAS2650-02	11.0	36.8	25.80	0.27	0.10	3.84	0.38
JAS2650-02	85.0	93.0	8.00	0.31	0.12	0.96	0.40
JAS2650-02	112.9	223.0	110.09	0.36	0.26	1.88	0.56
JAS2650-03	12.0	19.0	7.00	0.27	0.08	0.86	0.33
JAS2650-03	25.0	46.0	21.00	0.38	0.18	1.07	0.52
JAS2650-03	70.4	124.4	54.05	1.17	0.45	1.86	1.51
JAS2650-03	154.9	181.0	26.10	2.19	0.69	3.97	2.72
JAS2650-04	15.0	22.0	7.00	0.37	0.20	1.52	0.53
JAS2650-04	31.0	178.2	147.20	0.40	0.17	1.42	0.53
JAS2650-05	8.4	83.0	74.60	0.20	0.18	1.61	0.34
JAS2650-05	92.6	145.8	53.24	3.11	0.46	2.79	3.46
Including	116.0	145.8	29.84	4.96	0.56	3.34	5.39
Includes	128.0	145.1	17.10	6.69	0.59	3.71	7.15
JAS2650-05	156.6	164.3	7.70	1.49	0.02	3.11	1.53
JAS2650-05	178.0	195.0	17.00	2.10	0.61	4.79	2.58
JAS2650-06	1.7	119.0	117.30	1.31	0.15	3.19	1.45
Including	59.0	119.0	60.00	2.38	0.14	3.31	2.51
Includes	77.0	115.5	38.50	3.50	0.12	4.32	3.63
Includes	99.2	115.2	16.00	6.39	0.06	2.48	6.45
JAS2650-07	13.0	26.9	13.90	0.26	0.16	4.12	0.41
JAS2650-07	42.6	52.0	9.45	0.18	0.21	0.84	0.34
JAS2650-07	79.0	122.0	43.00	1.67	0.14	1.90	1.79
Including	103.9	122.0	18.10	3.72	0.02	2.76	3.76
Includes	112.0	122.0	10.00	4.23	0.02	2.57	4.26

Notes:

1. No adjustments made for recovery, the project is early-stage exploration and there is insufficient metallurgical data to allow for estimation of recoveries. Copper equivalent calculation for reporting purposes only and calculated as CuEq (%) = Cu (%) + ((0.7179 × Au g/t) + (0.0090 × Ag g/t)) under metal price assumptions of Copper - US$3.25/lb, Gold - US$1,600/oz and Silver US$ 20/oz.
2. Significant assay intercepts are reported as length-weighted averages exceeding 0.20% CuEq, with less than 5m of consecutive internal dilution.
3. Arbitrary top cut of 5g/t on gold assays has been used, copper is uncut.
4. True width of down-hole intersections reported are estimated to be approximately 60-90% of the down-hole lengths.

Figure 1: Ground magnetic analytical signal image and current drill hole locations

To view an enhanced version of Figure 1, please visit:
https://orders.newsfilecorp.com/files/2661/85101_6ea7848044d57996_001full.jpg

Figure 2: Jasperoide Drill Hole JAS2650 Cross Section, 50m window

To view an enhanced version of Figure 2, please visit:
https://orders.newsfilecorp.com/files/2661/85101_6ea7848044d57996_002full.jpg

Figure 3: Drill core from JAS2650-03 (178m) showing oxidized magnetite skarn with malachite, interval 178 - 179.2m assayed 1.2m @ 2.2% Cu and 0.61 g/t Au

To view an enhanced version of Figure 3, please visit:
https://orders.newsfilecorp.com/files/2661/85101_6ea7848044d57996_003full.jpg

Figure 4: JAS2650-06 core box interval 109.0 - 112.4m showing strong secondary copper mineralization. The interval 109.0 - 113.0m assayed a weighted average 4m @ 12.80% copper.

To view an enhanced version of Figure 4, please visit:
https://orders.newsfilecorp.com/files/2661/85101_6ea7848044d57996_004full.jpg

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ABOUT C3 METALS INC.

C3 Metals Inc. is a junior minerals exploration company focused on creating substantive value for its shareholders through the discovery and development of large copper and gold deposits. The Company's flagship project is the 57km^2 Jasperoide high-grade copper-gold skarn and porphyry system located in the prolific Andahuaylas-Yauri Porphyry-Skarn belt of southern Peru. Mineralization at Jasperoide is hosted in a similar geological setting to the nearby major mining operations at Las Bambas (MMG), Constancia (Hudbay) and Antapaccay (Glencore). C3 Metals also holds a 100% interest in five licenses covering 207 km^2 of highly prospective copper-gold terrain in Jamaica, and a 100% interest in two porphyry copper-gold properties, with one under option to Tocvan Ventures, covering 304 km^2 within the Cascade Magmatic Arc in southwestern British Columbia.

Related Link: www.c3metals.com

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policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

QP Statement

Stephen Hughes, P.Geo. is Vice President Exploration and a Director for C3 Metals and is a Qualified Person as defined by National Instrument 43-101. Mr. Hughes has reviewed the technical information in this news release and approves the written disclosure contained herein.

Technical Program

Half core samples are analysed by 4-Acid digest ICP-MS finish for 60 elements, including pathfinder REE elements with pulps from samples reporting greater than 1.0% copper being re-assayed by the ore grade method. Gold is analysed by 30g Fire Assay AAS finish, with pulps from samples reporting greater than 5ppm re-assayed by 1kg Screen Fire Assay.

An optical mineralogy program is also underway to identify the copper mineral species present to assist in confidently defining the secondary, transition and primary sulphide zones and eventual metallurgical domains within the deposit. Clay mineral identification will be undertaken through spectral scanning utilising the ALS provided TerraSpecR 4 HR scanning and aiSIRISTM spectral interpretation package. An evaluation of multi-element geochemistry is ongoing.

COVID-19 Protocols

The Company continues to implement its COVID-19 safety protocols at site to ensure the safety of employees and the communities surrounding the Jasperoide project area.

Caution Regarding Forward Looking Statements

Certain statements contained in this press release constitute forward-looking information. These statements relate to future events or future performance. The use of any of the words "could", "intend", "expect", "believe", "will", "projected", "estimated" and similar expressions and statements relating to matters that are not historical facts are intended to identify forward-looking information and are based on the Company's current belief or assumptions as to the outcome and timing of such future events. Actual future results may differ materially. In particular, this release contains forward-looking information relating to, among other things, the exploration operations of the Company and the timing which could be affected by the current global COVID-19 pandemic. Those assumptions and factors are based on information currently available to the Company. Although such statements are based on reasonable assumptions of the Company's management, there can be no assurance that any conclusions or forecasts will prove to be accurate.

While the Company considers these assumptions to be reasonable based on information currently available, they may prove to be incorrect. Forward looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Such factors include risks inherent in the exploration and development of mineral deposits, including risks relating to changes in project parameters as plans continue to be redefined, risks relating to variations in grade or recovery rates, risks relating to changes in mineral prices and the worldwide demand for and supply of minerals, risks related to increased competition and current global financial conditions and the COVID-19 pandemic, access and supply risks, reliance on key personnel, operational risks, and regulatory risks, including risks relating to the acquisition of the necessary licenses and permits, financing, capitalization and liquidity risks.

The forward-looking information contained in this release is made as of the date hereof, and the Company is not obligated to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable securities laws. Because of the risks, uncertainties and assumptions contained herein, investors should not place undue reliance on forward-looking information. The foregoing statements expressly qualify any forward-looking information contained herein.

[1] Data retrieved from Hochschild Mining's database and internal reports. Hochschild explored the Jasperoide project from 2011 to 2012 and completed two drill programs. C3 Metals has access to the entire drill database and believes that the reporting of the information was to industry standard practice.

To view the source version of this press release, please visit https://www.newsfilecorp.com/release/85101