



NEWS RELEASE

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FRA: 1ZX

CHAKANA COPPER PROVIDES EXPLORATION UPDATE AT SOLEDAD PROJECT, PERU

Paloma East Breccia Pipe Footprint Expands

Vancouver, B.C., August 27, 2020 – Chakana Copper Corp. (TSX-V: PERU; OTCQB: CHKCF; FRA: 1ZX) (the “Company” or “Chakana”), is pleased to provide an update on its fully-funded 15,000 metre drill program that was initiated August 15, 2020 at its expanded Soledad Project in Ancash, Peru. The drill program is testing multiple high-grade, gold-enriched tourmaline breccia pipe targets starting at Paloma East and will then continue on to the Paloma West and the Huancarama breccia pipe complex (Fig. 1).

EXPLORATION PROGRAM UPDATE

Phase 3 Drill Program

To date, three holes have been completed in the Paloma East target for a total of 528 metres, with a fourth hole in progress. All holes have encountered mineralized tourmaline breccia. Based on current modeling, the shape of the Paloma East breccia target increases from a diameter of 25 metres at surface to approximately 50 metres at 150 metres depth. The increase commences from the surface outcrop to the drilled contacts between the breccia pipe and wall rock. (Fig. 2). Additional holes are being drilled to provide control on the geometry of this breccia.

David Kelley, President and CEO commented, *“Paloma East has been a great target to get our drill team fired-up after a prolonged absence from the field. The initial drilling at Paloma East seems to be consistent with other breccia pipes we have drilled at Soledad, in that the overall footprint increases at depth. Our exploration results to date lead us to believe that this is a fundamental characteristic of the breccia pipe formation at Soledad. Drilling is encouraging and we look forward to sharing assay results with our shareholders in the near-term.”*

Channel Sampling Program and Logistics

Channel sampling has been completed on Bx 6 and Bx 1. These 171 samples will support drill hole to surface correlation of mineralized domains and be used in future resource estimates. Channel samples are cut in outcrop using portable rock saws for consistency in sample width and volume. Sample intervals are normally one meter in length. Channel sampling will also be completed on Bx 5, Bx 7, and other breccia pipes pending additional drill results.

A contract has been signed with Techno Fast S.A.C., a manufacturer of mobile camps in Peru. The contract is for a complete self-contained camp allowing greater control in the implementation of safe working protocols during the Covid-19 pandemic. Installation of the camp will take place over the next several weeks.

About Chakana Copper

Chakana Copper Corp is a Canadian-based minerals exploration company that is currently advancing the high-grade gold-copper-silver Soledad Project located in the Ancash region of Peru, a highly favorable mining jurisdiction with supportive communities. The Soledad Project consists of high-grade gold-copper-silver mineralization hosted in tourmaline breccia pipes. A total of 30,273m of drilling has been completed to-date, testing seven of twenty-three confirmed breccia pipes with more than 92 total targets. Chakana’s investors are uniquely positioned as the Soledad

Project provides exposure several metals including copper and gold. For more information on the Soledad project, please visit the website at www.chakanacopper.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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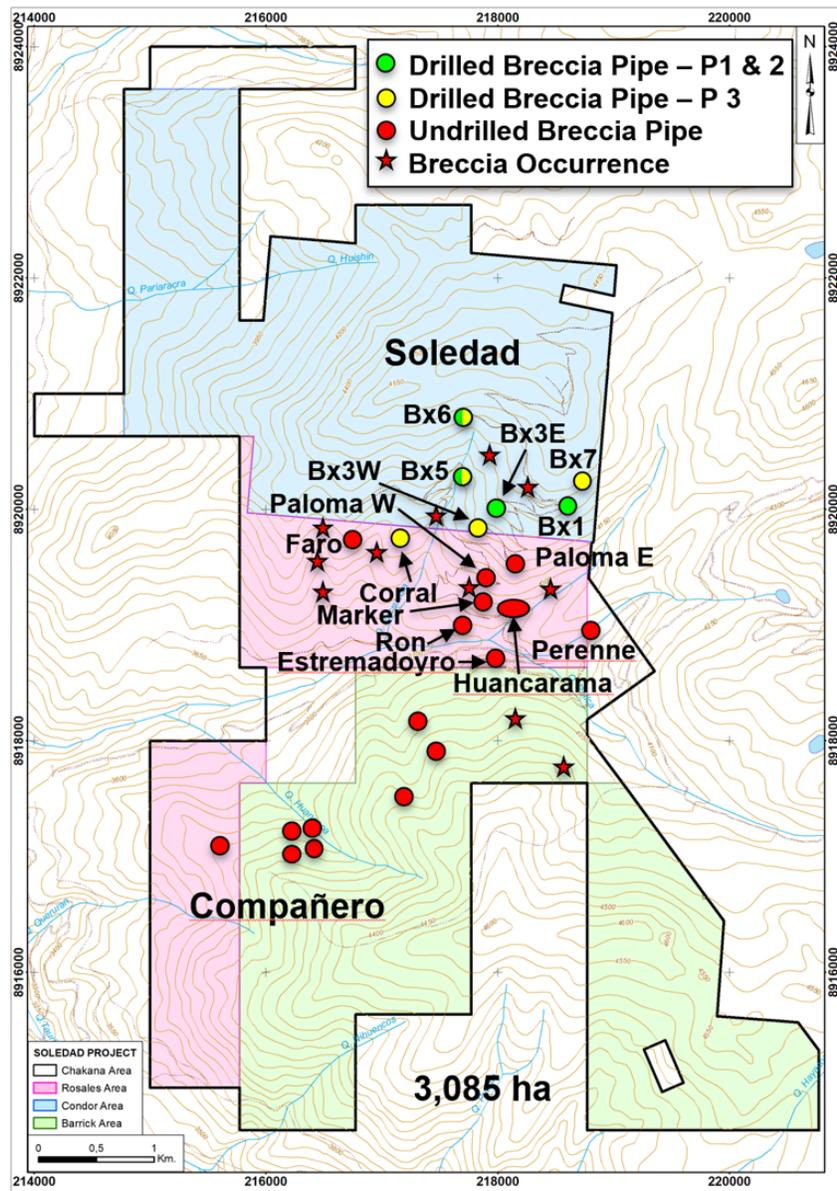


Figure 1 – map showing land position, breccia pipes (circles), and occurrences (stars). Previously drilled breccia pipes shown in green and yellow. Untested breccia pipes and targets shown in red.

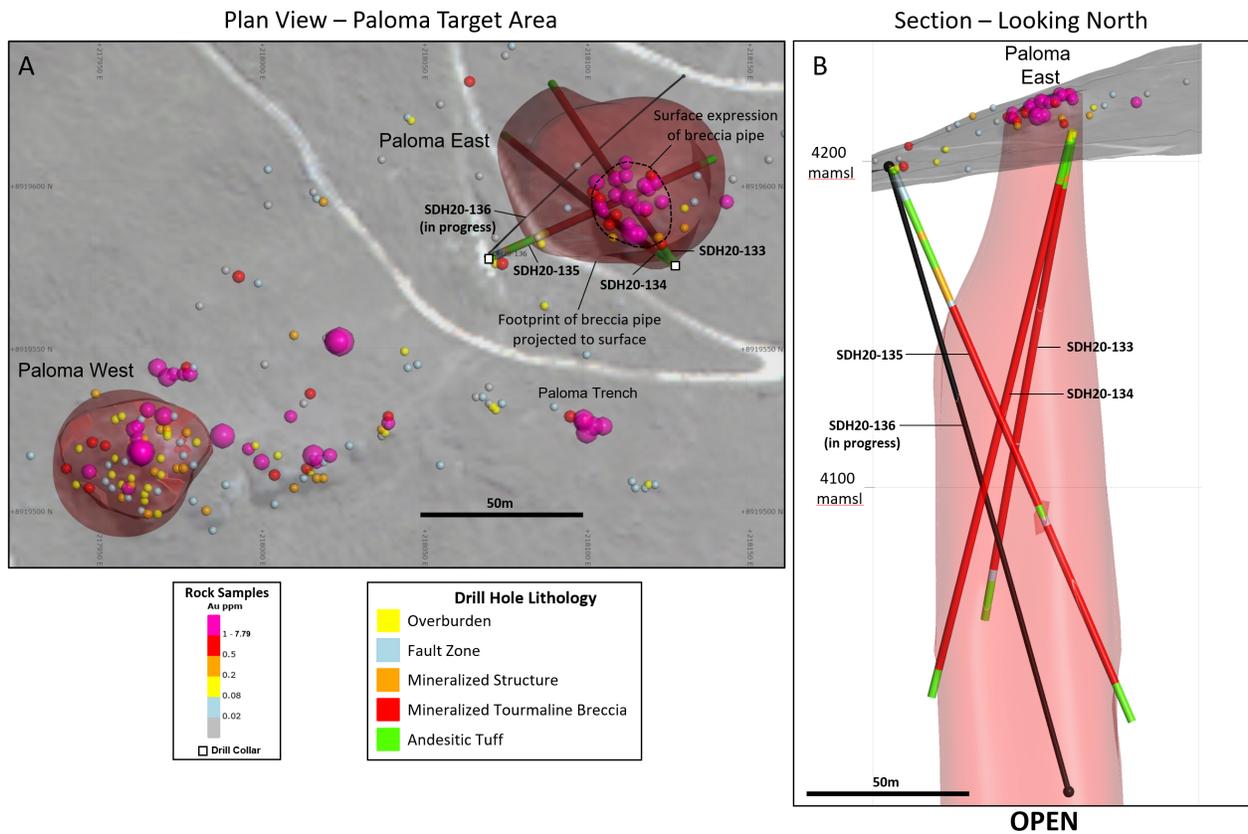


Figure 2 – Drilling underway in the Paloma target area: A) map showing the Paloma East and Paloma West breccia pipes, and surface rock assays for gold. Completed holes and the hole in progress at Paloma East are shown. Additional holes may be drilled from these collar locations. B) section looking north showing breccia pipe shape modeled from surface outcrop and drill intercepts completed to date.