

For Immediate Release
 January 25, 2021
 #4 - 2021

TSX-V: PERU
 OTCQB: CHKCF
 FRA: 1ZX

CORRECTION FROM SOURCE

CHAKANA COPPER INTERSECTS

120.4m of 0.51 g/t Au, 0.83% Cu, and 34.6 g/t Ag (1.46% Cu-Eq; 2.23 g/t Au-Eq) from 101.3m AT HUANCARAMA, SOLEDAD PROJECT, PERU

Vancouver, B.C., January 25, 2021 – Chakana Copper Corp. (TSX-V: PERU; OTCQB: CHKCF; FRA: 1ZX) (the “Company” or “Chakana”), further to the news release regarding drill results at Huancarama, Soledad Project, Peru that was released today, the Company is revising its headline and the table contained within the news release to correct the Au-Eq equivalent from 3.71 to 2.23 g/t Au-Eq. All other values contained within are correct.

Vancouver, B.C., January 25, 2021 – Chakana Copper Corp. (TSX-V: PERU; OTCQB: CHKCF; FRA: 1ZX) (the “Company” or “Chakana”), is pleased to release results for two additional drill holes from the recently-announced discovery at the Huancarama Breccia Complex, within the Soledad Project in Ancash, Peru (Fig. 1). The holes complement the initial eight holes that were published on January 12, 2021. Drilling at Huancarama is ongoing where eighteen HQ diamond core holes have been completed thus far.

Mineralized intervals from two additional holes at Huancarama include:

DDH #	From	- To (m)	Core Length (m)	Au g/t	Ag g/t	Cu %	Cu-eq %*	Au-eq g/t*
SDH20-161	86.00	193.00	107.00	0.28	33.7	0.42	0.89	1.36
including	126.00	162.00	36.00	0.34	59.8	0.93	1.66	2.54
SDH20-162	101.30	221.70	120.40	0.51	34.6	0.83	1.46	2.23
including	101.30	173.50	72.20	0.79	46.9	1.32	2.24	3.42
including	109.00	139.00	30.00	1.44	88.2	2.55	4.26	6.50

* 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).

Holes SDH20-161 and SDH20-162 were drilled to the northeast from the south side of the breccia complex (Figures 2 and 3). Both holes intersected continuous mineralization across the breccia body previously defined by the first eight holes and an historical tunnel that transects the breccia. Hole SDH20-161 was oriented directly beneath a collapse zone and intersected 107m with 0.28 g/t Au, 0.42% Cu, and 33.7 g/t Ag (1.36 g/t Au-eq) starting at 86m; hole SDH20-162, drilled beneath the west edge of the collapse zone, encountered 120.4m with 0.51 g/t Au, 0.83% Cu, and 34.6 g/t Ag (3.71 g/t Au-eq) from 101.3m depth, including 72.2m with 0.79 g/t Au, 1.32% Cu, and 46.9 g/t Ag (3.42 g/t Au-eq) from 101.3m. A higher-grade zone of 30.0m with 1.44 g/t Au, 2.55% Cu, and 88.2 g/t Ag (6.50 g/t Au-eq) starting at 109.0m depth occurs within this interval. Examples of mineralized drill core from these holes are shown in Figure 4.

David Kelley, President and CEO commented, “these two holes were drilled from a new platform on the south side of the Huancarama Breccia Complex and confirm the breccia geometry previously reported with approximate horizontal dimensions of 100m by 50m, one of the largest breccias we have discovered to date at Soledad. The mineralized breccia crops out at surface and extends to a vertical depth of approximately 225m below surface and is open at depth. The results demonstrate good continuity of mineralization within the breccia with excellent grades. The high-grade zone within hole SDH20-162 shows copper sulfide-cemented breccia and the late copper sulfide replacement process that

we have seen in several other high grade breccia pipes at Soledad. Drilling is ongoing at Huancarama and we look forward to reporting additional drill results in the near future.”

Huancarama Target Area and the Phase 3b Drill Program

The Huancarama Breccia Complex is located 300m south of and 400m above the deepest breccia intercept at Paloma. Within the complex there are five principal breccia bodies exposed at surface over approximately 200m (Fig. 5). There is a distinctive feature believed to be a collapse zone with dimensions of 50m by 30m. Unverified reports suggest that this may be due to small-scale mining. Two historic adits are in the complex, one trending north-northeast for 170m along the western side of H1 (Fig. 2), and a second shorter adit of 21m at H2. Surface sampling from the breccia bodies and channel sampling of the adits yielded strongly anomalous gold results (see news release dated November 19, 2019). In addition to several targets within the complex, numerous additional targets exist in the Huancarama and Paloma area.

Results reported here are part of the ongoing Phase 3b drill program, which is fully funded from the Company's current treasury and is anticipated to see 15,000 metres completed. Phase 3b is testing a cluster of high-grade, gold-enriched tourmaline breccia pipe targets within the Paloma and Huancarama target areas. Thirty holes have now been reported from the Phase 3b program.

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 36,185 metres of drilling has been completed to-date, testing ten (10) of twenty-three (23) confirmed breccia pipes. The exploration team has identified 92 targets in total on the project, confirming that Soledad is well endowed and has strong exploration potential. Chakana's investors are uniquely positioned as the Soledad Project provides exposure to several metals including copper, gold, and silver. For more information on the Soledad project, please visit the website at www.chakanacopper.com.

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 by AA24. 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

For further information contact:

Joanne Jobin, Investor Relations Officer

Phone: 647 964 0292

Email: jjobin@chakanacopper.com

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Forward-looking Statement Advisory: 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 Soledad copper-gold-silver project (the "Project"), the potential to expand the mineralization, and to develop and grow a resource within the Project, the planning for further exploration work, the ability to de-risk the potential exploration targets, and our belief in the potential for mineralization within 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.

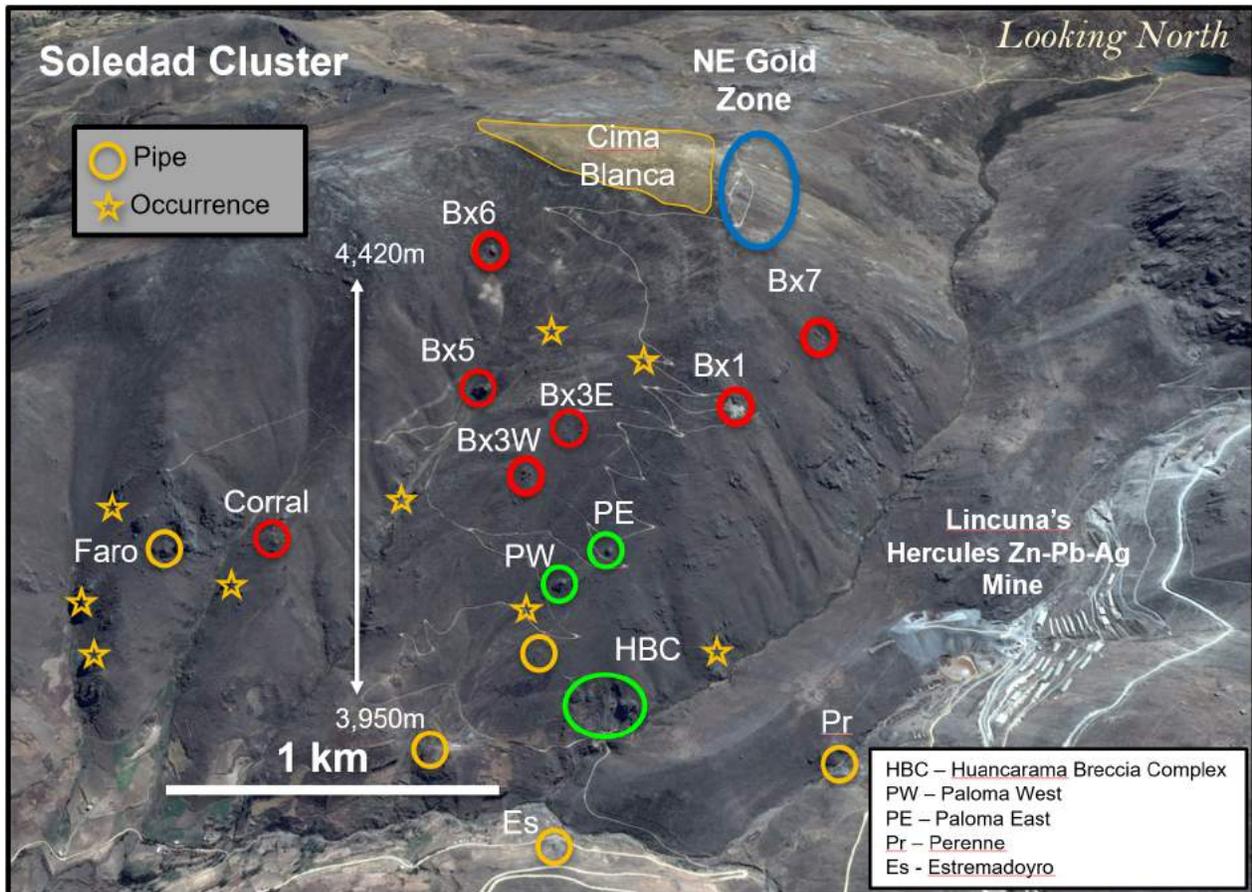


Figure 1 – View looking north showing breccia pipes and occurrences within the northern Soledad cluster. Pipes that have been drilled in previous campaigns are shown in red. Targets shown in green are the focus on this 15,000m drill campaign. Other pipes and occurrences remain to be tested by drilling. Additional breccia pipes occur on the south half of the property and are not shown here.

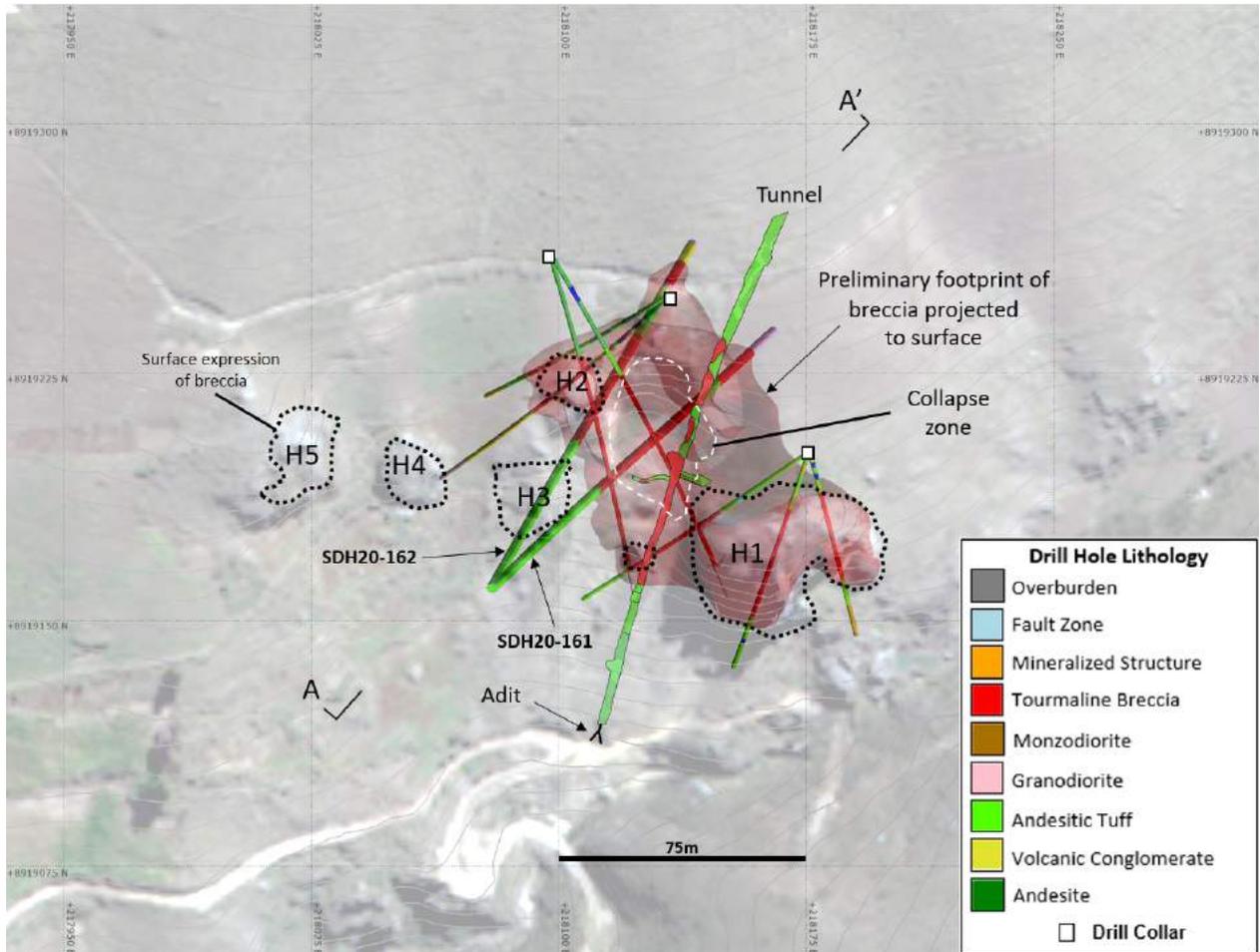


Figure 2 – Map of the Huancarama Breccia Complex and drill hole lithology in holes completed to date. Red represents tourmaline breccia based on the first ten holes and lithology mapped in the underground tunnel. Black dotted outlines show surface expression of mapped breccias; white dashed line shows collapse zone. Location of section line for Figure 3 indicated.

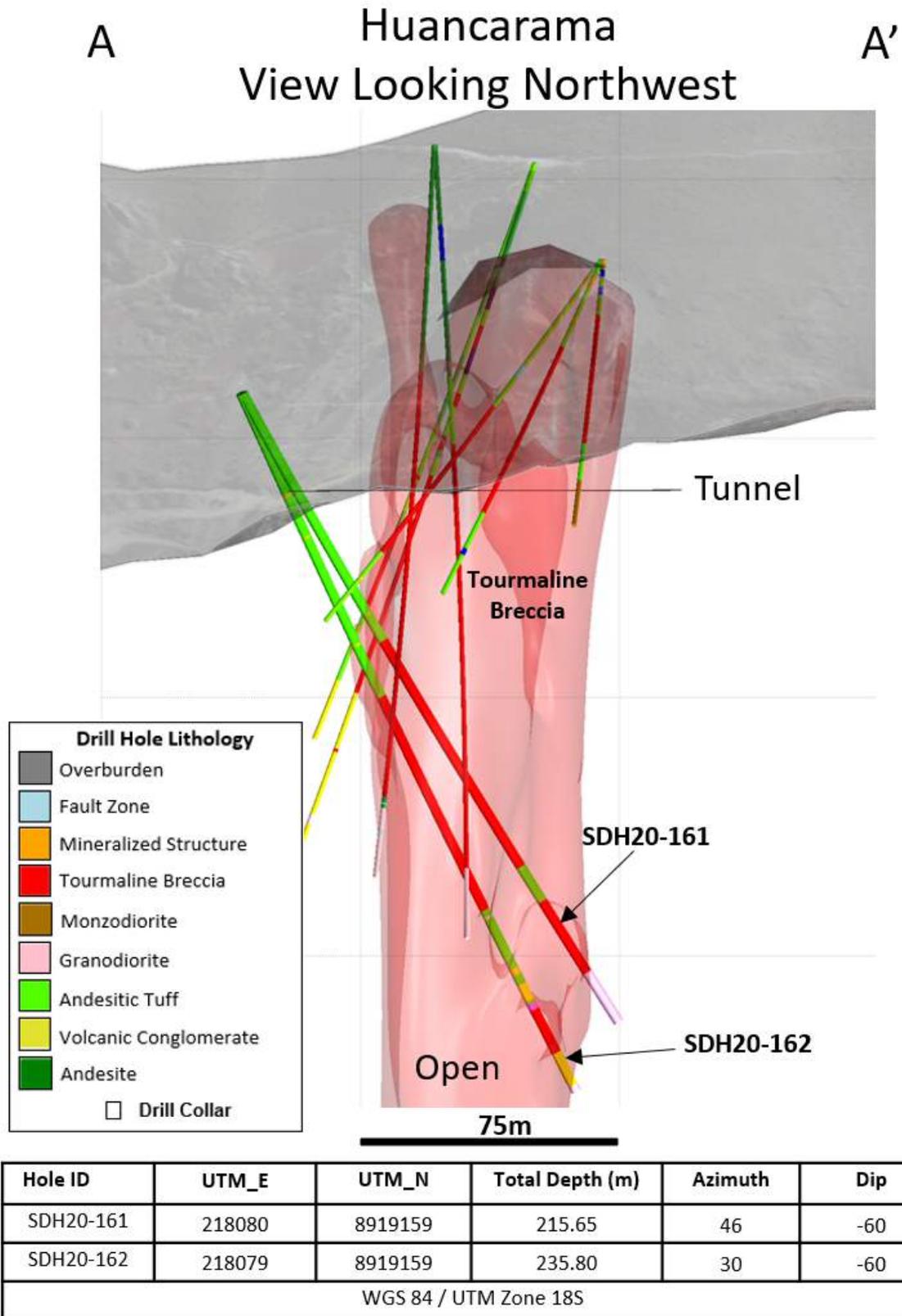


Figure 3 – Section looking northwest highlighting the drill holes at Huancarama reported in this release. Light red 3D shape shows preliminary shape of breccia based on the first eight holes and lithology mapped in the underground tunnel.

SDH20-161 74.5m



SDH20-162 108.4m to 111.05m



SDH20-162 113.85m to 116.65m



SDH20-162 116.65m to 122.07m

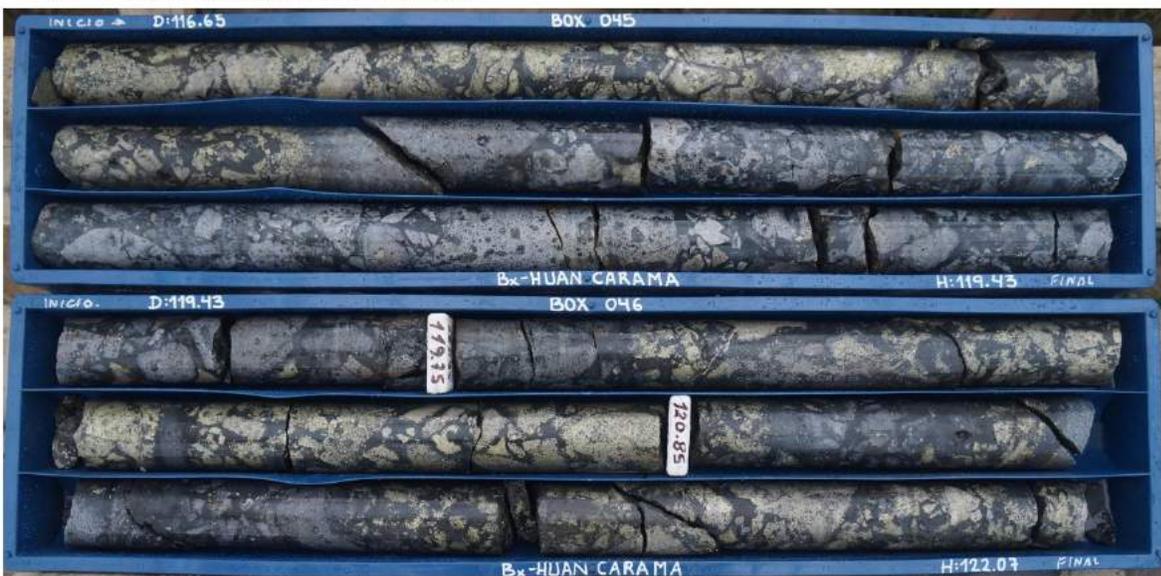


Figure 4 – Core photos from Huancarama: SDH20-161 (74.5m) chalcopyrite-cemented tourmaline breccia; SDH20-162 - examples of high-grade copper sulfide (chalcopyrite) replacement within the interval of 118.4m to 122.07 Core diameter is 6.35cm (HQ) in all instances.



Figure 5 – Drone image looking northeast at the Huancarama Breccia Complex showing the five principal tourmaline breccia bodies exposed at surface (H1-H5), historic adit portal, and drill platforms. Note drill rig in center of image.