



NEWS RELEASE

For Immediate Release
#10-2022

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

CHAKANA PROVIDES CORPORATE UPDATE

Vancouver, B.C., December 21, 2022 – Chakana Copper Corp. (TSX-V: PERU; OTCQB: CHKKF; FRA: 1ZX) (the “Company” or “Chakana”), is pleased to announce that it has modified the payment terms with M&R Aija S.A.C. for the Aija Option Agreement (the “Agreement”) covering a portion of the Soledad project, located in the Ancash Province of Peru. The agreement relates to 10 mining concessions totalling 639 hectares covering the Huancarama, Paloma East, and Paloma West breccia pipes that are included in the initial inferred mineral resource estimate (MRE) published Q1 2022 (see news releases dated January 11 and February 23, 2022). In addition, there are numerous untested exploration targets within this ground.

Under the existing agreement, a final payment of US\$1.5 million dollars was due on May 1, 2023. The parties have agreed to extend and amend the terms of the agreement as follows:

	2022	2023		2024		2025		2026	
Aija Option	01-Dec-22	01-May-23	01-Nov-23	01-May-24	01-Nov-24	01-May-25	01-Nov-25	01-May-26	01-Nov-26
Cash (US\$)	\$100,000	\$100,000	\$100,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$250,000
Shares (US\$)	\$75,000	\$125,000	\$150,000	\$75,000	\$75,000	N/A	N/A	N/A	N/A

The number of shares will be determined based on the greater of (i) the ten (10) day volume weighted average trading price of the Chakana common shares as of the date of issuance of such Chakana Shares, or (ii) the market value at the time the obligation arises, provided that the shares for each payment may not be issued at a price of lower than CAD \$0.05 per share. The Agreement is subject to the approval of the TSX Venture Exchange.

“This is a great outcome as it ensures that the company’s capital is more proportionately allocated to advancing the Soledad project with additional exploration and studies on our existing mineral resource. We continue to make steady progress with our permit to allow drilling some very exciting targets on the south half of the project,” stated President and CEO David Kelley.

Permitting Update

Chakana is in the process of modifying the semi-detailed environmental impact assessment (EIASd) to allow exploration drilling on the south half of the project. The Company is in the final stage of the environmental permit certification. Once approved, the permit moves to the final Initiation of Activities (AIA) stage.

Approval of the modified EIASd will allow drill testing in three principal target areas on the south side of the project: 1) Compañero breccia complex, 2) Mega-Gold target, and 3) La Joya high sulfidation zone (Figure 1). The Compañero breccias are similar to the mineralized breccia pipes in the MRE on the north side of the project with strongly enriched gold in surface rock channel samples (see news release dated July 16, 2018). The Mega-Gold target is defined by an extensive soil anomaly that is strongly anomalous in gold-molybdenum-tin, in part overlying a poorly exposed, phyllic-altered granodiorite intrusion. The La Joya target area has strong silver mineralization in surface rock samples associated with high sulfidation advanced argillic alteration with vuggy silica, alunite, dickite, zunyite, diasporite, and pyrophyllite.

About Chakana Copper

Chakana Copper Corp is a Canadian-based minerals exploration Company that is currently advancing the Soledad Project located in the Ancash region of Peru, a highly favorable mining jurisdiction with supportive communities. The Soledad Project is notable for the high-grade copper-gold-silver mineralization that is hosted in tourmaline breccia pipes. An initial mineral resource estimate for seven breccia pipes was announced in Q1 2022 (see news release dated February 23, 2022), with an Inferred Resource of 4.8 million tonnes grading 0.72 g/t gold, 61 g/t silver and 0.97% copper assumed to be extractable by underground mining methods, plus an additional Inferred Resource of 1.9 million tonnes grading 1.29 g/t gold, 37.1 g/t silver and 0.65% copper assumed to be extractable by open pit mining methods. The total initial Inferred Resource contains 191,000 ounces of gold, 11.7 million ounces of silver, and 130 million pounds of copper.

In addition, extensive multidisciplinary exploration has defined 154 exploration targets, 28 of which have been tested to date (18%), confirming that Soledad is a large, well-endowed mineral system with strong exploration upside. Chakana's investors are uniquely positioned as the Soledad Project provides exposure to copper and precious metals. For more information on the Soledad project, please visit the website at www.chakanacopper.com.

Results of an initial inferred mineral resource estimate and additional information concerning the Project, including a technical report prepared in accordance with National Instrument 43-101, are available on Chakana's 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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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.

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.

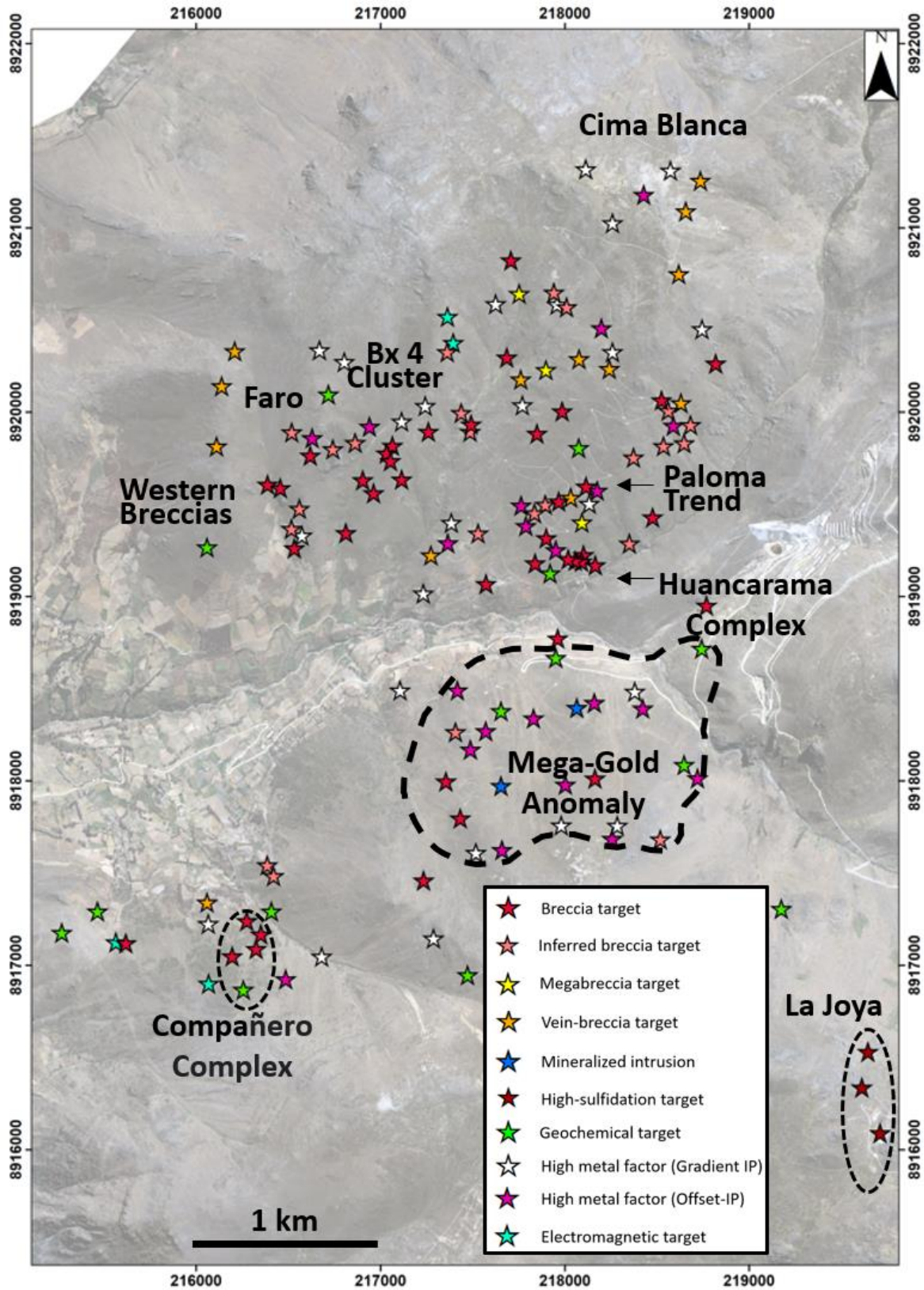


Figure 1 – Map showing total defined targets for the Soledad project by type. Principal target areas on the south side of the project that will be drill tested after approval of the EIA's drill permit highlighted (black dashed outlines).