

Toronto, ON. / TheNewswire / May 5, 2016. [Chilean Metals Inc.](#) ("Chilean Metals," "CMX" or the "Company") (TSX.V:CMX, OTCQB: CMETF, SSE:CMX).

Chilean Metals is moving forward to sign definitive agreements with Cogonov Inc ("Cogonov") on the previously announced acquisitions of certain projects, referred to as Lynn, Parrsboro and Bass River, that have been the focus of considerable exploration efforts over the last several years by Cogonov and historical owners Minotaur Atlantic Exploration Ltd.

"Chilean Metals will issue an estimated 20,500,000 common shares to the shareholders of Cogonov (directly or indirectly). No new control persons are expected to be created in Chilean Metals by the issuance of the Chilean Metals shares in this scenario. This is in addition to the 6,000,000 shares previously awarded Cogonov on the acquisition of Fox River. Both transactions are subject to TSXV approval." Announced CMX President Terry Lynch

Cogonov's three properties in central Nova Scotia are part of their advanced Iron Oxide-Copper-Gold (IOCG) regional exploration program. The claims cover select IOCG exploration targets previously delineated by Minotaur Exploration (Australia) along the Cobequid-Chedabucto Fault Zone (CCFZ). The CCFZ is a 300 km long fault structure that hosts over 100 mineral occurrences, including past producing mines, of Iron Oxide, Copper, Cobalt, Gold, Nickel and Barite. These projects have been part of an advanced IOCG exploration program to reinterpret and re-examine the mineral potential of Nova Scotia

Chilean Metals is also pleased to announce that it has arranged a private placement of up to \$700,000 at a price of \$0.07 per share. Finder's fees of approximately \$49,000 will be paid and 156,050 warrants will be issued entitling holder to acquire 156,050 shares at a price of \$.07 per share until June 1 2017. In addition it has placed a \$150,000 debenture due Oct 31 2018. The terms are as follows: 14% interest annually in arrears at loan repayment, secured on a pari passu basis with the previously granted debentures (\$147,500 Face Value of debentures currently outstanding) by the shares of our Chilean subsidiary that contains a 3% royalty CMX retained through sale of its Copacquire asset to a subsidiary of Teck Resources Inc. 1,500,000 warrants, exercisable at \$.12 per share by Oct 31, 2018, will be granted to debenture holder These placements are subject to TSXV approval and are expected to close on or before May 6th.

The capital raised will be secured utilizing accredited investor exemption and investment dealer exemption. The funds will be used almost equally to fund administrative expenses and in preparing for establishing a drill program in Chile. It is anticipated that additional capital will be required to commence drilling and the Company has plans to address these needs in the coming months. To the Company's knowledge there is no material fact or material change about Chilean Metals that has not been previously disclosed.

" We think 2016 will be a very exciting time at Chilean Metals and are looking forward to closing this transaction and getting on to the near term drilling of both our Zulema project in Chile and our Bass River project in Nova Scotia." Commented Chilean Metals CEO Patrick Cruickshank

The proposed acquisition is subject to the parties negotiating and entering into a definitive transaction agreement and applicable TSX Venture Exchange and other regulatory approvals.

About Chilean Metals

<http://chileanmetals.com/>

[Chilean Metals Inc.](#) is 100% owner of five properties comprising over 50,000 acres strategically located in the prolific IOCG ("Iron oxide-copper-gold") belt of northern Chile. It also owns a 3% NSR royalty interest on any future production from the Copacquire Cu-Mo deposit, recently sold to a subsidiary of Teck Resources Inc. ("Teck"). Under the terms of the sale agreement, Teck has the right to acquire one third of the 3% NSR for \$3 million dollars at any time. The Copacquire property borders Teck's producing Quebrada Blanca copper mine in Chile's First Region.

ON BEHALF OF THE BOARD OF DIRECTORS OF
[Chilean Metals Inc.](#)

"Terry Lynch"

Terry Lynch, President

Contact: terry@chileanmetals.com

The Qualified Person for [Chilean Metals Inc.](#), as defined by National Instrument 43-101, is Gary Lohman, P. Eng., Vice

President, Exploration.

Forward-looking Statements: This news release may contain certain statements that may be deemed "forward-looking statements". All statements in this release, other than statements of historical fact, that address events or developments that CMX expects to occur, are forward looking statements. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential" and similar expressions, or that events or conditions "will", "would", "may", "could" or "should" occur. Forward-looking statements in this document include statements regarding current and future exploration programs, activities and results. Although CMX believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results may differ materially from those in forward-looking statements. Factors that could cause the actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration success, continued availability of capital and financing, inability to obtain required regulatory or governmental approvals and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward looking statements.

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