



Chilean Metals Expands Drilling Program at Zulema

Toronto, ON. April 3rd, 2017. Chilean Metals Inc. (“Chilean Metals,” “CMX” or the “Company”)(TSX.V:CMX, OTCQB: CMETF, SSE:CMX, MILA:CMX, FRA: IVV1, BER : IVV1).

Chilean Metals Inc is pleased to announce that it has expanded the drill program at Zulema from a minimum of 2,000 meters to an open ended ongoing program that will be a minimum of 3,000 meters. Zulema is Chilean’s lead exploration project in Chile located near Copiapo and 30 Km’s from Lundin Mining’s Candelaria mine.

With Candelaria as a model, the exploratory drill program is testing two geologically distinct targets: a 1+ square km. area of intense garnet scapolite skarn breccia (Skarn Target) and a large Induced Polarization chargeability anomaly on its eastern flank. (IP Target).

The initial results released on Feb 27th suggested to Chilean that it had found in our assessment, IOCG style mineralization. Subsequent drilling continues to test this thesis. To date we have reported highlights on our initial 2 and a partial third hole. Today we provide a map outlining the current seven holes we have drilled with completed assays where applicable. Holes 2, 3, 5 assays are reported in detail below.

Drill holes 1, 6 and 7 assisted in defining the boundaries of the eastern skarn and related sulphide mineralization.

Drill hole 4, targeting the I.P. target, was terminated before reaching bedrock. The target remains open.

Hole 3 had a six meter section from 285.32 – 291.32 meters which contained 0.66% Cu, 23.6% Fe and .52 grams of gold/tonne. It also contained an additional intercept from 325.20 to 335.20 that assayed .34% Cu, 10 % Fe and .16 grams of gold/tonne.

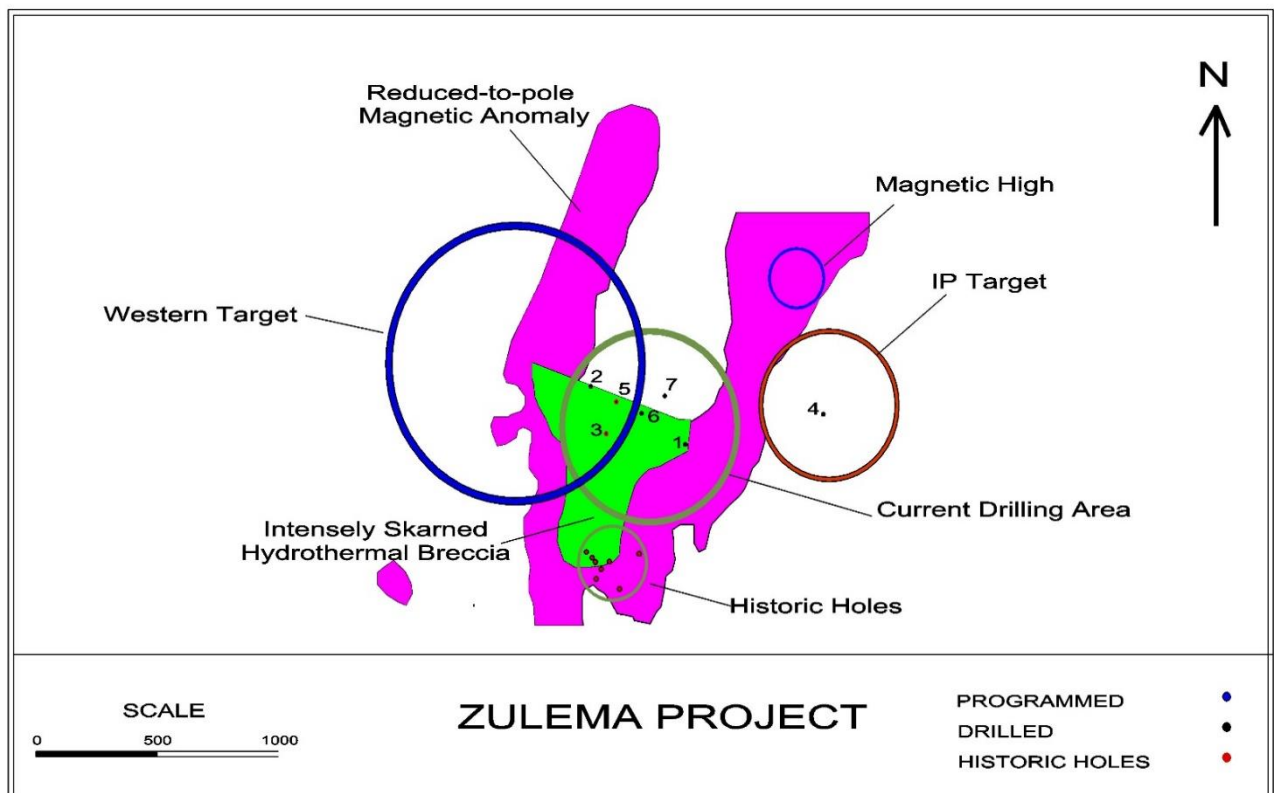
Hole 5 located 272 meters north and east of 3 also had some interesting highlights. In particular, we see several lenses of two and four meters in length with individual 2 meters sections assaying up to .43% Cu, 4,9 % Fe and .29 grams of gold/tonne. (see assays below for detail).

Initial drill results confirm that host rocks and alteration fit the Candelaria model. The presence of copper-bearing magnetite skarn, interbedded magnetite chalcopyrite bands, more massive chalcopyrite in drill hole 5, biotite

magnetite alteration, potassic (K-spar), magnetite and hematite veining and local mineralized breccias suggests proximity to the main mineralized target.

A review of the drill core has been completed with the results suggesting the focus of our ongoing exploration should be towards the west near drill holes 2, 3 and 5 where the skarn appears a more receptive host for mineralization. In drill hole 2, quartz stock-working and siliceous breccia suggest proximity to a high temperature heat source / intrusion. Directly east of drill hole 2 at drill-hole 5, widespread low grade copper mineralization is accompanied by a more robust style of chalcopyrite occurring as large 1 cm. clots within the skarn. Due south of 5, drill hole 3 contained large sections of skarn including several lenses of iron rich, IOCG style copper mineralization. Additional drilling is planned to test this western expression and a broader more focused I.P. and magnetic program will be initiated in conjunction with Minotaur Exploration Australia advice prior to a planned second stage exploration program.

Created by the version de demostración de Universal Document Converter. La versión completa no añade esta marca.
www.pdf24.com



“We are very encouraged by the ongoing exploration drilling program at Zulema. Holes 3 and 5 showed a lot of promise and we found the elevated gold to copper ratios of .5 to 1:1 particularly interesting. Potential Industry Partners were enthusiastic about our progress at PDAC and provided insightful commentary on our ongoing program. Our team is continuing to follow our strategic work program and we look forward to demonstrating this progress upon completion of this stage of exploration sometime in May”, commented Patrick J Cruickshank, President & CEO

Drill Hole	From (m.)	To (m.)	True Width (m.)	Cu (%)	Fe (%)	Au (g/t)
Hole 2	100.00	102.00	2.0	0.136	5.28	0.04
Hole 2	102.00	104.00	2.0	0.025	4.55	0.01
Hole 2	104.00	106.00	2.0	0.256	4.31	0.04
Hole 2	106.00	108.00	2.0	0.247	3.83	0.04
Hole 2	112.00	114.00	2.0	0.112	2.71	0.03
Hole 2	124.55	126.55	2.0	0.076	3.30	0.02
Hole 3	175.00	177.00	2.0	0.161	3.60	.010
Hole 3	285.32	287.32	2.0	1.189	26.71	0.99
Hole 3	287.32	289.32	2.0	0.503	37.55	0.28
Hole 3	289.32	291.32	2.0	0.283	6.58	0.29
Hole 3	291.32	293.32	2.0	0.12	6.69	0.05
Hole 3	315.20	317.20	2.0	0.145	2.96	0.03
Hole 3	317.20	319.20	2.0	0.259	4.57	0.16
Hole 3	321.20	323.20	2.0	0.016	4.43	0.01
Hole 3	323.20	325.20	2.0	0.093	6.40	0.04
Hole 3	325.20	327.20	2.0	0.678	5.69	0.28
Hole 3	327.20	329.20	2.0	0.577	11.06	0.21
Hole 3	329.20	331.20	2.0	0.205	11.00	0.1
Hole 3	331.20	333.20	2.0	0.075	17.28	0.05
Hole 3	333.20	335.20	2.0	0.15	5.15	0.15
Hole 5	122.20	124.20	2.0	0.281	6.91	0.25
Hole 5	148.00	150.00	2.0	0.109	6.74	0.08
Hole 5	150.00	152.00	2.0	0.126	3.84	0.35
Hole 5	179.85	181.85	2.0	0.432	4.92	0.29
Hole 5	181.85	183.85	2.0	0.334	10.47	0.24
Hole 5	183.85	185.85	2.0	0.127	2.7	0.06
Hole 5	185.85	187.85	2.0	0.036	3.28	0.04
Hole 5	187.85	189.85	2.0	0.084	10.34	0.05
Hole 5	207.85	209.85	2.0	0.016	5.02	0.03
Hole 5	209.85	211.85	2.0	0.019	4.37	0.02
Hole 5	211.85	213.85	2.0	0.034	4.44	0.01
Hole 5	213.85	215.85	2.0	0.145	4.38	0.07
Hole 5	217.85	219.85	2.0	0.441	4.27	0.27
Hole 5	229.25	231.35	2.1	0.451	5.34	0.26

All samples were secured and delivered to Activation Laboratories Ltd. in Copiapo Chile for preparation and analysis. All assay procedures were industry standard methods. Gold analysis was by fire assay. QA/QC procedures by the company included the insertion of standards in the sample stream. Selected pulps were also re-submitted for analysis.

About Chilean Metals

www.chileanmetals.com/

Chilean Metals Inc. is a Canadian Junior Exploration Company focusing on high potential Copper Gold prospects in Chile & Canada.

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 Copaquire 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 Copaquire property borders Teck’s producing Quebrada Blanca copper mine in Chile’s First Region.

Chilean Metals Inc is the 100% owner of four Copper Gold exploration properties in Nova Scotia on the western flank of the Cobequid-Chedabucto Fault Zone (CCFZ); Fox River, Parrsboro, Lynn and Bass River respectively. Initial targeting and geophysics has been conducted on all properties, At Bass River North, airborne geophysics identified a major VTEM cluster on trend with the Pb/Zn/Ag mineralization exposed at surface and in drill holes to the southwest. Modeling of the airborne data by Minotaur Exploration (Australia) identified 3 priority targets recommended for ground based geophysics prior to drilling.

ON BEHALF OF THE BOARD OF DIRECTORS OF

Chilean Metals Inc.

“Terry Lynch”

Terry Lynch, Chairman

“Patrick J Cruickshank”

Patrick J Cruickshank, President & CEO

Contact: terry@chileanmetals.com

patrick@chileanmetals.com

The Qualified Person for Chilean Metals Inc., as defined by National Instrument 43-101, is Gary Lohman, P. Geo., 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.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release

