



Chilean Metals Updates Best Efforts Financing

Toronto, ON. August 13, 2020. Chilean Metals Inc. (“Chilean Metals,” “CMX” or the “Company”) (TSX.V:CMX, SSE:CMX, MILA: CMX) intends to complete a best efforts financing of up to \$3.00 million dollars. The proposed financing would be by way of issuance of up to 30,000,000 units at \$.10 per unit. Each unit will be comprised of one common share of the Corporation (a “Common Share”) and one half of one common share purchase warrant (a “Warrant”), with each whole Warrant exercisable into a common share of the Corporation (a “Warrant Share”) at an exercise price of \$0.15 per Warrant Share for a period of 24 months from date of closing of this offering. Warrants will be callable If at any time after January 31, 2021, the Company’s common shares have a closing price equal to or greater than \$0.30 per common share for ten (10) consecutive trading days on the TSX Venture Exchange, the Company shall thereafter be entitled to give notice to the holders of the CMX Warrants, by news release, that such warrants will expire at 5:00 p.m. (Vancouver time) on that date which is 20 days after the date of such news release unless exercised before the expiry of that period. Participating brokers will be paid a commission of 8% and provided a broker warrant entitling them to acquire 8% of the amount invested in units for a period of 24 months.

Funds will be used to advance exploration and drilling on targets in Chile, to acquire additional properties, to repay outstanding bills of approximately \$400,000, outstanding debentures of approximately of \$700,000 and to provide working capital. The best efforts financing is open to existing shareholders of record as of August 7th 2020.

“Chilean believes now is the time to complete the previously announced financing. Approximately \$500,000 has been raised under that financing and advanced to the Company and we expect most if not all of the debenture repayment will be reinvested in this round. The additional capital will enable us to move forward with our drill program in Chile and to look at additional opportunities. We believe mining markets are turning and believe now is the time to engage” commented Chilean CEO Terry Lynch.

This financing will be conducted in reliance upon available prospectus exemptions, including the existing shareholder exemption (the “**Existing Shareholder Exemption**”) contained in OSC Rule 45-501, BCI 45-534 and various corresponding blanket orders and rules of participating jurisdictions.

The Company has set a August 7th record date for the purpose of determining existing shareholders entitled to purchase securities pursuant to the Existing Shareholder Exemption. Subscribers purchasing securities under the Existing Shareholder Exemption will need to represent in writing that they meet certain requirements of the Existing Shareholder Exemption, including that they were, as of the record date and continue to be as of the date of closing for their subscription, a shareholder of the Company. The aggregate acquisition cost to a subscriber under the Existing Shareholder Exemption cannot exceed \$15,000 unless that subscriber has obtained advice obtained from a registered investment dealer regarding the suitability of the investment. Any shareholder interested in the financing is asked to email Terry Lynch at terry@chileanmetals.com.

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.

ON BEHALF OF THE BOARD OF DIRECTORS OF

Chilean Metals Inc.

“Terry Lynch”

Terry Lynch, CEO

Contact: terry@chileanmetals.com

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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