

TORONTO, ONTARIO--(Marketwired - Jul 16, 2015) - Atacama Pacific Gold Corporation (TSX VENTURE:ATM) ("Atacama") is pleased to announce that it has entered into an agreement with Minera Los Vilos S.A. ("Los Vilos") to lease the El Durazno copper mine which is located 225 kilometres by road north of Santiago near the town of Caimanes, Region IV, Chile. The operation will provide Atacama with a source of cash flow while it continues to advance its 100% owned Cerro Maricunga oxide gold deposit.

The El Durazno operation comprises a small tonnage underground mine with an associated 200 to 250 tonne per day milling facility located eleven kilometres to the north of the mine on the outskirts of Caimanes. Currently, work is commencing on developing four small open pits to supplement the underground mill feed.

The mill facility consists of two primary parallel grinding circuits feeding a series of flotation tanks producing high-grade copper concentrates which are currently being sold to the Empresa Nacional de Minería ("ENAMI") facility located at Ventanas, 170 kilometres south of the operation. During the first half of 2015, the operation sold 293 tonnes of concentrate with average grades of 55.5% copper, 46.1 grams per tonne gold ("g/t") and 362.1 g/t silver.

The El Durazno mine encompasses two mineralized sub-vertical skarnified limestone horizons, referred to as veins, typically three to six metres wide with a mineralized fault breccia occurring between the two veins. The width of the mineralization (veins and fault breccia) varies from 15 to 30 metres wide. Relatively higher grade mineralization occurs within the veins which are the focus of underground mining. The open pits currently being developed will target the entire mineralized structure. Copper mineralization is dominated by bornite with minor chalcopyrite and rare chalcocite. Gold and silver mineralization occurs with the copper sulphides. Year-to-date payable grades, taking into account mining dilution, milling recoveries and smelter charges, averaged 0.52% copper, 0.43 g/t Au and 3.40 g/t Ag.

The mineralized structure is hosted within a zone of skarnification derived from the contact metamorphism related to a large intermediate intrusive located 100 metres to the east. Within the property boundary, the structure has been traced on surface over a distance of 3,600 metres although mining operations are focused along a 250 to 300-metre portion of the structure.

Currently, the underground operations are accessed by an adit and developed by ramping on seven levels spaced vertically eight metres apart. The deepest developed level is approximately 120 metres below surface and the mineralization remains open to depth. Mining and development operations are by jack-leg with conventional open stoping between levels. The operation employs approximately 70 workers.

The El Durazno mine is not a material property of Atacama and, therefore, Atacama is not required to prepare a report under National Instrument 43-101 - Standards of Disclosure for Mineral Properties to support the technical disclosure in this press release. The El Durazno copper mine is not based on a feasibility study which has demonstrated the economic and technical viability of the operation and, therefore, there is an increased uncertainty and economic and technical risks of failure related to the continued operation. There are no 43-101 compliant mineral resources or reserves and there is no current drilling on the property.

Lease Terms

Los Vilos S.A. is a company controlled by the Chairman of Atacama, Albrecht Schneider. The lease is for a period of two years and is automatically renewed annually thereafter. Either party of may terminate the agreement without penalty by providing three month written notice. In the event that Albrecht Schneider was not to be a shareholder of Atacama, by any circumstance, the lease agreement can be terminated immediately by either party.

The royalty payable to Los Vilos is 97.75% of the net revenue ("net sales" minus "total net costs") plus 15% of the net sales value added tax ("VAT") recovered. Atacama is responsible for on-going maintenance expenditures required for normal operations while Los Vilos maintains responsibility for any capital expenditures that are required to expand and extend operations beyond the current lease arrangement. Cash for ongoing maintenance expenditures is to be derived from operating cash flow and is considered as part of the total net costs when determining the royalty payable to Los Vilos.

Atacama will be responsible for environmental liabilities directly related to the ongoing production during the period of the lease arrangement. Los Vilos will maintain responsibility for all other environmental liabilities.

National Instrument 43-101

The Qualified Person, as defined by National Instrument 43-101, for the El Durazno mine is Sergio Diaz, a resident of Viña Del Mar, Chile and a registered member of the "Comisión Calificadora de Competencias en Recursos y Reservas Mineras" (Chilean Mining Commission, registry n° 051). Mr. Diaz has approved the contents of this press release.

Atacama Pacific's business is the acquisition, exploration and development of precious metals resource properties in Chile. Atacama Pacific's principal mineral property is the Cerro Maricunga oxide-associated, breccia-hosted gold project, located in Region III, 140 kilometres by road northeast of the city of Copiapo. Atacama Pacific's goal is to become a producer of gold through the development of the Cerro Maricunga Gold Project.

FORWARD LOOKING STATEMENTS

This news release contains forward-looking statements, including predictions, projections and forecasts. Forward looking statements include, but are not limited to, statements regarding the future viability of the El Durazno mine. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "planning", "expects" or "does not expect", "continues", "scheduled", "estimates", "forecasts", "intends", "potential", "anticipates", "does not anticipate", or "belief", or describes a "goal", or variation of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

Forward-looking statements involve known and unknown risks, future events, conditions, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any future results, prediction, projection, forecast, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, the economic viability of the El Durazno Mine, the successful development of open pits at the El Durazno Mine, the results of due diligence activities, changes in economic parameters and assumptions, the interpretation and actual results of current exploration and development activities; changes in project parameters as plans continue to be refined; the results of regulatory and permitting processes; future prices of gold, silver and copper; possible variations in grade or recovery rates; failure of equipment or processes to operate as anticipated; labour disputes and other risks of the mining industry; the results of further economic and technical studies, delays in obtaining governmental approvals or financing or in the completion of exploration and development activities, as well as those factors disclosed in Atacama Pacific's publicly filed documents.

Although Atacama Pacific has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on 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.

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