Toronto, Ontario / TheNewswire / August 29, 2016: Toachi Mining Inc., ("Toachi" or the "Company") (TSXV-TIM) is pleased to announce that a program to reprocess historic gravity data has generated several new, untested exploration targets at its La Plata high grade volcanogenic massive sulphide ("VMS") gold-copper-silver-zinc project in Ecuador.

Historic Gravity Data

Toachi's staff working with David McInnes, an Australian geophysicist and an authority on reprocessing and interpretation of gravity data, analyzed a gravity survey completed in 2002. The purpose of the survey, according to a report completed at that time, was to determine if mineralization which outcrops in the area around the former La Mina open pit mine, would generate a gravity anomaly.

The survey included eight 200-m spaced east-west lines totaling 10.6 km which covered only a small portion of the entire La Plata concession which strikes north for more than 5 km.

This program was successful in demonstrating that VMS mineralization, which has very high densities relative to surrounding barren volcanic andesite and dacitic rocks, generates a distinct gravity anomaly in the area of the La Mina VMS deposit and former mine.

Map 1 below outlines the results of the gravity survey from 2002 over the La Mina VMS lenses outlining a gravity high anomaly which generally correlates with known mineralization. Historic drill hole collars also appear to have adequately tested this anomaly, which Toachi now knows is incorrect.

Map 1: Historic Gravity Anomalies 2002

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Reprocessed Gravity Data - New, Untested Targets

The historic gravity data was reprocessed using the 3DMGInv gravity inversion routine, a sophisticated, leading edge software program developed in Australia. This routine enables the geometry and the physical properties, such as the density of the anomaly sources, to be more accurately characterized.

Map 2 outlines the new gravity anomalies after reprocessing, which provides a much more accurate interpretation of the targets and their location.

The highest priority target is the large gravity high immediately 200 m east of the La Mina open pit, which has never been drilled.

"We can see that gravity correlates extremely well along the main La Mina VMS mineralized zone and is a valuable exploration tool," Nick Tintor, President and CEO explained. "However, the new reprocessed data has identified several exciting new targets which have never been drill tested and represent well defined, discrete and high priority targets which we plan to test in our current program," he added.

Map 2: Reprocessed Gravity Anomalies 2016

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Exploration Potential

The gravity reprocessing study has been successful in generating new, untested exploration targets at the La Plata project.

Priority untested targets include:

- -A large 200 m x 250 m target area immediately east of the La Mina open pit

  -Potential for deeper, offset mineralization striking for 200 m south of the last drill holes in the La Mina South VMS lens.

  -Four discrete gravity highs north of the mineralized Gautuza target area.

Toachi`s first phase 4,000-m drill program started earlier this month and is focused on verifying, in-filling and expanding mineralization in main La Mina deposit leading to a National Instrument 43-101 resource estimate early next year. For a detailed description of the phase one program, please see our press release dated August 15, 2016 and available on our website at: www.toachimining.com or on SEDAR.

The Company also plans on testing several of these new targets in the current drill program.

The La Plata Project

Toachi entered into an option agreement with a private Ecuadorean company to earn between a 60% to 75% interest in the La Plata gold-copper-silver-zinc VMS project, located 85 km south of Quito, Ecuador. For complete terms of the transaction, please see our press release dated February 11, 2016.

La Plata is a gold-rich volcanogenic massive sulphide deposit which was the subject of small scale mining from both an open pit and underground workings from 1975-1981.

From 1996 to 2000, Cambior Inc., a Canadian mining company, completed 8,628 metres of drilling and a preliminary resource estimate totaling 840,000 tonnes grading 4.8 grams gold per tonne, 4.1% copper, 54.4 grams silver per tonne and 0.7% lead and 4.2% zinc per tonne in 1999, according to a report completed by AMEC Foster Wheeler, a mining consulting firm, in March 2015.

Following a drill program by Cornerstone Capital Resources Inc., which included 5,933 metres of drilling from 2006-2007, a revised mineral resource estimate totaling 913,977 tonnes grading 8.01 grams gold per tonne, 88.3 grams silver per tonne, 5.01% copper, 6.71% zinc and 0.78% lead per tonne in the inferred category was completed.

The resource estimates described above are historical estimates as defined by National Instrument 43-101 - Standards of Disclosure for Mineral Projects S.2.4 ("NI 43-101"). Toachi has not completed the work required to independently analyze and verify the results of the previous operators nor has a qualified person completed sufficient work to classify the estimates as current mineral resources or mineral reserves. With respect to the Cambior estimate, the Company is also not aware of what categories were used in the estimate. As a result, Toachi is not treating these estimates as current mineral resources or mineral reserves.

The Company believes these historic results provide an indication of the potential of the property and are relevant from an on-going exploration perspective.

Phil Fox, MAIG, a Qualified Person as defined by NI 43-101, has reviewed and approved the contents of this press release.

About Toachi Mining

Toachi Mining brings a disciplined and veteran team of project managers together with a high grade gold-copper-silver-zinc project at La Plata in Ecuador. Toachi Mining is focused on and committed to the development of advanced stage mineral projects throughout the Americas using industry best practices combined with a strong social license from local communities. Toachi Mining has 38,349,937 million shares issued and outstanding.

Forward Looking Statements

Certain information set forth in this news release contains "forward-looking statements", and "forward-looking information under applicable securities laws. Except for statements of historical fact, certain information contained herein constitutes forward-looking statements, which include the Company's expectations about the completion of the Option Transaction. These statements are not guarantees of future performance and undue reliance should not be placed on them. Such forward-looking statements necessarily involve known and unknown risks and uncertainties, which may cause the Company's actual performance and financial results in future periods to differ materially from any projections of future performance or results expressed or implied by such forward-looking statements. These risks and uncertainties include, but are not limited to: the ability

of the Company to obtain TSX Venture Exchange approval for the Option Transaction on the terms described herein or at all, or the Company receiving funding to complete the Option Transaction. There can be no assurance that forward-looking statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. The Company undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change except as required by applicable securities laws. The reader is cautioned not to place undue reliance on forward-looking statements. Trading in the securities of the Company should be considered highly speculative.

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