

Atico Reports Consolidated Financial Results for the First Quarter of 2016

(All amounts expressed in US dollars, unless otherwise stated)

Vancouver, May 24, 2016 -- Atico Mining Corporation (the “Company” or “Atico”) (TSX.V: ATY | OTC: ATCMF) today announced its financial results for the three months ended March 31, 2016, posting a net income of \$1.97 million.

Fernando E. Ganoza, CEO, commented, “We have had a strong beginning of the year with record production and positive financial results. In the first quarter we saw sustainable growth in throughput at the El Roble mine, which resulted in our third consecutive record quarter at the operation. The financials for the quarter showed an impressive AISCC of \$1.36, robust net earnings and a resilient ability to generate cash in a weak metal price environment.” Mr. Ganoza added, “We will continue to optimize the mine in the subsequent quarters, focus on delivering on our 2016 guidance and explore the potential both at the El Roble mine and the 6,670 ha prospective land package surrounding the operation”

First Quarter Financial Highlights

- Net income for the first quarter amounted to \$1.97 million, compared with a net income of \$2.41 million for the same period last year. The net income was mainly affected by a lower metal price environment.
- Sales for the first quarter decreased 10% to \$12.1 million when compared with the same period last year. The decrease is due to lower realized prices and lower metal content in the concentrate as compared to the same period last year. Copper accounted for 83.3%, gold 16.6%, and silver 0.1% of total amount provisionally invoiced during the quarter. The average realized price per metal on provisional invoicing was \$2.12 per pound of copper, \$1,220.53 per ounce of gold, and \$15.27 per ounce of silver
- Cash costs⁽¹⁾ were \$83.13 per tonne of processed ore and \$0.86 per pound of payable copper produced, a 25% and 26% decrease over the same period last year, respectively.
- Income from operations was \$2.27 million while cash flow from operations, before changes in working capital was \$5.17 million. Cash used for capital expenditures amounted to \$1.66 million.
- At the quarter-end, 2,628 wet metric tonnes of non-invoiced concentrate remained at the Company’s warehouses.
- All-in sustaining cash cost⁽¹⁾ per payable pound of copper produced for Q1-2016 was \$1.36.

(1) These are alternative performance measures; please refer to “Non-GAAP Financial Measures” at the end of this release.

(2) Net of by-product credits

First Quarter Summary of Financial Results

	Q1 2016	Q1 2015	% Change
Revenue	\$12,122,542	\$13,452,803	-10%
Cost of sales	(\$8,514,948)	(\$8,638,213)	-1%
Income from mining operations	\$3,607,594	\$4,814,590	-25%
<i>As a % of revenue</i>	<i>30%</i>	<i>36%</i>	<i>-17%</i>
Selling, general and administrative expenses	\$1,270,708	\$1,185,698	7%
Income from operations	\$2,272,729	\$3,521,528	-35%
<i>As a % of revenue</i>	<i>19%</i>	<i>26%</i>	<i>-28%</i>
Income before income taxes	\$2,796,289	\$3,470,429	-19%
Net income (loss)	\$1,966,760	\$2,414,704	-19%
<i>As a % of revenue</i>	<i>16%</i>	<i>18%</i>	<i>-10%</i>
Operating cash flow before changes in non-cash operating working capital items ⁽¹⁾	\$5,169,499	\$5,324,612	-3%

First Quarter Operations Review

During the quarter, the Company produced 4.27 million pounds (“lbs”) of copper, 2,566 ounces (“oz”) of gold, and 8,313 oz of silver. When compared to the same period last year, production increased 113%, 12%, and 32% for copper, gold, and silver, respectively. The increase in overall metal production is mainly attributed to a 60% increase in processed material. Copper production in particular saw a 31% increase in the copper head grade; while in the case of gold production, the increase in processed material was partially offset by a 30% decrease in the gold head grade.

Cash costs⁽¹⁾ for the period were \$83.13 per tonne of processed ore, and \$0.86 per pound of payable copper produced, a 25% decrease in the cost per tonne and a 26% decrease in the cash cost per pound of payable copper over the same period last year. The decrease in the cash cost per pound of payable copper net of by products is mainly explained by a 60% increase in processed materials over the same period in last year. All-in sustaining cash cost⁽¹⁾ per payable pound of copper produced was \$1.36.

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First Quarter Operational Details

	Q1 2016	Q1 2015	% Change
Production (Contained in Concentrates)*			
Copper (000s pounds)	4,277	2,003	114%
Gold (ounces)	2,566	2,291	12%
Silver (ounces)	8,313	6,308	32%
Mine			
Tonnes of material mined	53,752	32,664	65%
Mill			
Tonnes processed	53,715	33,558	60%
Tonnes processed per day	778	557	40%
Copper grade (%)	3.81	2.91	31%
Gold grade (g/t)	2.21	3.14	-30%
Silver grade (g/t)	7.87	11.33	-31%
Recoveries			
Copper (%)	94.4	93.2	1%
Gold (%)	67.3	67.5	0%
Silver (%)	61.4	51.6	19%
Concentrates			
Copper Concentrates (dmt)	9,674	4,839	100%
Copper (%)	20.1	18.8	7%
Gold (g/t)	8.3	14.7	-44%
Silver (g/t)	26.7	40.6	-34%
Payable copper produced (000s lbs)	4,084	1,890	114%
Cash cost per pound of payable copper ⁽¹⁾⁽²⁾ (\$/lbs)	0.86	1.16	-26%

** Subject to adjustments due to final settlement

The financial statements and MD&A are available on SEDAR and have also been posted on the company's website at <http://www.aticominer.com/s/FinancialStatements.asp>

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El Roble Mine

The El Roble mine is a high grade underground copper and gold mine with nominal processing plant capacity of 800 tonnes per day, located in the Department of Choco in Colombia. Its commercial product is a copper-gold concentrate.

Since obtaining control of the mine on November 22, 2013, Atico has increased/upgraded the operation from a nominal capacity of 400 tonnes per day. The mine has a continuous operating history of twenty-two years, with recorded production of 1.5 million tonnes of ore at an average head grade of 2.6% copper and an estimated gold grade of 2.5 g/t. Copper and gold mineralization at the El Roble property occurs in volcanogenic massive sulfide (“VMS”) lenses.

Since entering into the option agreement in January 2011 to acquire 90% of El Roble, Atico has aggressively explored the mine and surrounding claims. The Company has completed 31,377 meters of diamond drilling and identified numerous prospective targets for VMS deposits on the 6,679-hectare property. This exploration led to the discovery of high-grade copper and gold mineralization below the 2000 level, the lowest production level of the El Roble mine. Atico has developed a new adit access from the 1880 elevation to develop these new resources.

El Roble has a measured and indicated resource of 1.87 million tonnes grading 3.46% copper and 2.27 g/t gold, at a cut-off grade of 0.93% copper equivalent. Mineralization is open at depth and along strike and the Company plans to further test the limits of the resource.

On the larger land package, the Company has identified a prospective stratigraphic contact between volcanic rocks and black and grey cherts that has been traced by Atico geologists for ten kilometers. This contact has been determined to be an important control on VMS mineralization on which Atico has identified 15 prospective target areas for VMS type mineralization occurrence, which is the focus of the surface drill program at El Roble.

Qualified Person

Mr. Thomas Kelly (SME Registered Member 1696580), Chief Operating Officer of the Company and a qualified person under National Instrument 43-101 standards, is responsible for ensuring that the technical information contained in this news release is an accurate summary of the original reports and data provided to or developed by Atico.

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About Atico Mining Corporation

Atico is a growth-oriented Company, focused on exploring, developing and mining copper and gold projects in Latin America. The Company operates the El Roble mine and is pursuing additional acquisition opportunities. For more information, please visit www.aticomining.com.

ON BEHALF OF THE BOARD

Fernando E. Ganoza
CEO
Atico Mining Corporation

Trading symbols: TSX.V: ATY | OTC: ATCMF

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Cautionary Note Regarding Forward Looking Statements

This announcement includes certain "forward-looking statements" within the meaning of Canadian securities legislation. All statements, other than statements of historical fact, included herein, without limitation the use of net proceeds, are forward-looking statements. Forward-looking statements involve various risks and uncertainties and are based on certain factors and assumptions. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the Company's expectations include uncertainties relating to interpretation of drill results and the geology, continuity and grade of mineral deposits; uncertainty of estimates of capital and operating costs; the need to obtain additional financing to maintain its interest in and/or explore and develop the Company's mineral projects; uncertainty of meeting anticipated program milestones for the Company's mineral projects; and other risks and uncertainties disclosed under the heading "Risk Factors" in the prospectus of the Company dated March 2, 2012 filed with the Canadian securities regulatory authorities on the SEDAR website at www.sedar.com

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The Company has not based its production decisions and ongoing mine production on mineral reserve estimates, preliminary economic assessments or feasibility studies, and historically such projects have increased uncertainty and risk of failure. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

Non-GAAP Financial Measures

The items marked with a "(1)" are alternative performance measures and readers should refer to Non-GAAP Financial Measures in the Company's Management's Discussion and Analysis for the three months ended March 31, 2016 as filed on SEDAR and as available on the Company's website for further details.

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