

Atico Reports Consolidated Financial Results for Second Quarter of 2022

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

Vancouver, August 17, 2022 -- Atico Mining Corporation (the “Company” or “Atico”) (TSX.V: ATY | OTC: ATCMF) today announced its financial results for the three months ended June 30, 2022, posting a net loss of \$2.7 million. Production for the period at Atico’s El Roble mine totaled 3.6 million pounds (“lbs”) of copper and 2,811 ounces (“oz”) of gold in concentrate at a cash cost⁽¹⁾ of \$1.36 per payable pound of copper⁽²⁾.

Fernando E. Ganoza, CEO and Director, commented, “El Roble mine delivered strong production results for the second quarter despite a twenty-four-day stoppage in April due to the landslide previously announced. This huge effort from the operations team at El Roble was unfortunately not reflected in our financials given sales during the second quarter were significantly impacted, as vessel and port delays slipped our June shipment to the third quarter, resulting in most of this concentrate being recognized as sold in the following quarter (early Q3-2022) and materially impacting second quarter revenue. The lower sales significantly contributed to the net loss for the period.” Mr. Ganoza continued, “Despite the operational challenges we have had a strong first half of the year and continue to be optimistic for the second half. Beyond operations, the exploration work at both El Roble and La Plata continued during the quarter with an emphasis on mine vicinity drilling at El Roble looking for continuity of mineralization at depth and along strike, and following up on attractive drill targets at La Plata”

Second Quarter Financial Highlights

- Net loss for the quarter amounted to \$2.7 million, compared with net income of \$0.6 million for the same period last year. The decrease was primary due to lower sales.
- Sales for the quarter decreased 59% to \$5.5 million when compared with \$13.4 million in Q2-2021. Copper (“Cu”) and gold (“Au”) accounted for 83% and 17% of the 4,472 (Q2-2021 - 7,812) dry metric tonnes (“DMT”) sold during Q2-2022. Sales during the quarter were impacted by lower metal prices and quantities sold, and by negative mark-to-market provisional pricing adjustments to concentrate sold during Q1-2022 and whose quotational period extends into Q2-2022.
- Working capital was \$24.1 million, while the Company had \$15.5 million in long-term loans payable.
- The average realized price per metal on provisional invoicing was \$3.74 per pound of copper and \$1,817 per ounce of gold.

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

⁽²⁾ Net of by-product credits

⁽³⁾ Subject to adjustments on final settlement

- Cash costs⁽¹⁾ were \$138.39 per tonne of processed ore and \$1.36 per pound of payable copper produced⁽²⁾, which were increases of 17% and 3% over Q2-2021, respectively.
- Cash margin⁽¹⁾⁽²⁾ was \$2.38 per pound of payable copper produced, which was a decrease of 25% over Q2-2021, due to lower metal price.
- All-in sustaining cash cost per payable pound of copper produced⁽¹⁾⁽²⁾ was \$2.33.

Second Quarter Summary of Financial Results

	Q2 2022	Q2 2021	% Change
Revenue	\$ 5,463,057	\$ 13,435,135	-59%
Cost of sales	(5,705,078)	(8,505,352)	-33%
Income (loss) from mining operations	(242,021)	4,929,783	-105%
<i>As a % of revenue</i>	<i>-4%</i>	<i>37%</i>	
General and administrative expenses	1,357,251	1,022,263	33%
Income (loss) from operations	(1,749,732)	3,681,062	-148%
<i>As a % of revenue</i>	<i>-32%</i>	<i>27%</i>	
Income (loss) before income taxes	(3,447,039)	1,189,241	-390%
Net income (loss)	(2,693,821)	571,306	-572%
<i>As a % of revenue</i>	<i>-49%</i>	<i>4%</i>	
Operating cash flow before changes in non-cash operating working capital items ⁽¹⁾	\$ (1,587,905)	\$ 5,904,080	-127%

Second Quarter Operational Review

In Q2-2022, the Company produced 3.6 million lbs of copper, 2,811 oz of gold, and 8,358 oz of silver. When compared to the same period in 2021, production decreased by 17% for copper and increased 4% for gold. The decrease in copper production is mainly due to the decrease in processed ore which more than offset the increase in head-grade when compared to the same period of last year. The gold output during Q2-2022, completely offset the lower tonnes of ore processed in the quarter as we saw a significant improvement in head grade relative to Q2-2021. Copper

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recoveries slightly decreased when compared to the same period last year, while gold recoveries during the quarter improved over Company's projections.

Cash costs⁽¹⁾ were \$138.39 per tonne of processed ore and \$1.36 per pound of payable copper produced⁽²⁾, which were increases of 17% and 3% over Q2-2021, respectively (refer to non-GAAP Financial Measures). The increase in cash cost per tonne of processed ore compared to Q2-2021 is mainly due to the 24-day stoppage in April, price increase on certain services and consumables, the operation of the new tailings-filtering plant and some tailing-rehandling required prior to the completion of the new dry-stack tailings facility.

Second Quarter Operational Details

	Q2 2022	Q2 2021	% Change
Production (Contained metals) ⁽³⁾			
Copper (000s lbs)	3,591	4,312	-17%
Gold (oz)	2,811	2,699	4%
Silver (oz)	8,358	10,440	-20%
Mine			
Tonnes of material mined	61,667	71,437	-14%
Mill			
Tonnes processed	56,172	68,238	-18%
Tonnes processed per day	889	892	-0%
Copper grade (%)	3.17	3.10	2%
Gold grade (g/t)	2.47	2.00	24%
Silver grade (g/t)	8.63	9.04	-5%
Recoveries			
Copper (%)	91.0	92.6	-2%
Gold (%)	62.9	61.5	2%
Silver (%)	53.8	53.2	1%
Concentrates			
Copper Concentrates (DMT)	8,278	10,020	-17%
Copper (%)	19.7	19.5	1%
Gold (g/t)	10.6	8.6	23%
Silver (g/t)	31.4	31.6	-1%

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	Q2 2022	Q2 2021	% Change
Payable copper produced (000s lbs)	3,411	4,070	-16%
Cash cost per pound of payable copper (\$/lbs) ⁽¹⁾⁽²⁾	1.36	1.32	3%

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

El Roble Mine

The El Roble mine is a high grade, underground copper and gold mine with nominal processing plant capacity of 1,000 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 upgraded the operation from a historical nominal capacity of 400 tonnes per day.

El Roble has Proven and Probable reserves of 1.00 million tonnes grading 3.02% copper and 1.76 g/t gold, at a cut-off grade of 1.3% copper equivalent with an effective date of September 30, 2020. Mineralization is open at depth and along strike and the Company plans to further test the limits of the deposit. On the larger land package, the Company has identified a prospective stratigraphic contact between volcanic rocks and black and grey pelagic sediments and 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 numerous target areas prospective for VMS type mineralization occurrence, which is the focus of the current surface drill program at El Roble.

La Plata Overview

Atico's wholly-owned La Plata project is a gold rich volcanogenic massive sulphide deposit that was the subject of small-scale mining from 1975-1981 by Outokumpu Finland. The project benefits from a modern drill and exploration database which was completed by Cambior Inc. from 1996-1999, Cornerstone Capital from 2006-2009 and Toachi from 2016-2019.

Toachi Mining completed a PEA estimating an inferred resource of 1.85 million tonnes grading 4.10 grams gold per tonne, 50.0 grams silver per tonne, 3.30% copper, 4.60% zinc and 0.60% lead per tonne.

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The La Plata project consists two concessions covering a total area of 2,235 hectares along its 4-kilometer length, which contains known mineralization in two VMS lenses and nine priority exploration targets.

Qualified Person

Mr. Thomas Kelly (SME Registered Member 1696580), advisor to 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.

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 generates significant cash flow through the operation of the El Roble mine and is developing its high-grade La Plata VMS project in Ecuador. The Company is also pursuing additional acquisition of advanced stage 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 as to the timing and process for renewal of title to the El Roble claims; 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; the world-wide economic and social impact of COVID-19 is managed and the duration and extent of the coronavirus pandemic is minimized or not long-term; disruptions related to the COVID-19 pandemic or other health and safety issues, or the responses of governments, communities, the Company and others to such pandemic or other issues; and other risks and uncertainties disclosed under the heading “Risk Factors” in the Company’s Management’s Discussion and Analysis for the year ended December 31, 2021 as filed on SEDAR and as available on the Company’s website for further details, and 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

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 six months ended June 30, 2022, as filed on SEDAR and as available on the Company’s website for further details.

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