

## **Atico Reports Consolidated Financial Results for 2017**

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

Vancouver, April 23, 2018 -- Atico Mining Corporation (the "Company" or "Atico") (TSX.V: ATY | OTC: ATCMF) today announced its financial results for the year ended December 31, 2017, posting income from mining operations of \$15.32 million and a net income of \$4.04 million. Production for the year at Atico's El Roble mine totaled 20.6 million pounds ("lbs") of copper and 10,923 ounces ("oz") of gold in concentrates at a cash cost<sup>(1)</sup> of \$1.45 per payable pound of copper produced<sup>(2)</sup>.

Fernando E. Ganoza, CEO and Director, commented, "We are pleased to report our strongest year to date both operationally and financially, as the Company concluded 2017 exceeding nearly all set objectives for the year. Operationally, we delivered above our higher end guidance while further increasing operational standards at El Roble. Financially, we have delivered a record year in most metrics while significantly strengthening our balance sheet. These accomplishments allowed us to allocate additional funds to drill test three of the fifteen targets on the 6,600-hectare prospective land package the Company controls. Mr. Ganoza continued, "In 2018, we will focus on organic growth at El Roble property by following up on positive exploration results from the previous year while also testing at least two new regional drill targets. In parallel, the search for a second asset remains to be a high priority as we continue to strive towards our goal of becoming a leading mid-tear producer."

### ***2017 Consolidated Financial Highlights***

- Net income for the year amounted to \$4.04 million, compared with \$0.32 million for the previous year. Net income for the year was positively affected by an increase in revenue (increase in realized copper price of 26.2%), partially offset by increases in direct mining and processing costs, and selling, general and administrative expenses.
- Sales for the year increased 49% to \$57.00 million when compared with 2016. The increase was due to additional concentrate shipped and provisionally invoiced with a higher realized copper price when compared to 2016. Copper ("Cu") accounted for 97.6% and gold ("Au") 2.4% of total amount provisionally invoiced during the year. The average realized price per metal on provisional invoicing was \$2.79 (2016 - \$2.21) per pound of copper and \$1,265.21 (2016 - \$1,256.11) per ounce of gold.
- Working capital was \$4.6 million (2016 - \$1.7 million), while the Company repaid principal of \$3.1 million (2016 - \$2.0 million) on its long-term loans payable with \$2.7 million (2016 - \$5.6 million) outstanding at the reporting date.

<sup>(1)</sup> Alternative performance measures; please refer to "Non-GAAP Financial Measures" at the end of this release.

<sup>(2)</sup> Net of by-product credits

<sup>(3)</sup> Subject to adjustments on final settlement

- Cash costs<sup>(1)</sup> were \$118.94 per tonne of processed ore and \$1.44 per pound of payable copper produced<sup>(2)</sup>, increases of 20% and 32% over last year, respectively.
- Income from operations was \$7.58 million (2016 - \$1.56 million) while cash flow from operations, before changes in working capital was \$18.18 million (2016 - \$11.44 million). Cash used for capital expenditures amounted to \$10.18 million (2016 - \$8.50 million).
- At the year-end, 3,797 (2016 - 7,366) wet metric tonnes of non-invoiced concentrate remained at the Company's warehouses.
- All-in sustaining cash cost per payable pound of copper produced<sup>(1)(2)</sup> for the year was \$2.05 (2016 - \$1.63).

### ***2017 Consolidated Operating Highlights***

- Ore processed increased 6% year-on-year;
- Copper head grade increased 4% year-on-year;
- Gold head grade decreased 3% year-on-year;
- Concentrate production increased 3% year-on-year;
- Copper metal production increased 10% year-on-year; and
- Gold metal production decreased 2% year-on-year.

### ***Fourth Quarter Operating and Financial Highlights***

- The Company produced 11,224 dry metric tonnes of concentrate during the quarter with a metal content of 5.3 million pounds of copper, 2,972 ounces of gold and 9,586 oz of silver.
- Sales of \$13.75 million were generated during the quarter, where copper accounted for 98.9% and gold for 1.1% of the total. The average realized price per metal on provisional invoicing was \$3.04 per pound of copper and \$1,289.88 per ounce of gold.
- Cash costs<sup>(1)</sup> for the quarter were \$133.24 per tonne of processed ore and \$1.67 per pound of payable copper produced<sup>(2)</sup>.
- Cash flow from operations, before changes in working capital, for the quarter was \$3.44 million.

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### ***2017 Consolidated Operations Review***

In 2017, the Company produced 20.6 million lbs of copper, 10,923 oz of gold, and 40,283 oz of silver. When compared to 2016, production increased by 10% for copper and decreased by 2% for gold. The increase in copper produced is mainly explained by 6% more processed material and a 4% increase in the copper head grade. In the case of gold, the increase in processed material was partially offset by a 3% decrease in the gold head grade and a 4% decrease in the metal recovery.

Cash costs<sup>(1)(2)</sup> were \$118.94 per tonne of processed ore and \$1.44 per pound of payable copper produced, which was an increase of 20% and 32% over 2016, respectively (refer to non-GAAP Financial Measures). All-in sustaining cash cost per payable pound of copper produced<sup>(1)(2)</sup> was \$2.05.

For fiscal 2017, treatment charges had a variable surcharge component dependent on the copper price. The higher average copper price during fiscal 2017 alone had a negative effect of 12.1% on the cash cost per payable pound of copper produced over 2016. The Company does not anticipate a similar treatment surcharge for fiscal 2018.

### ***Fourth Quarter Operations Review***

During the quarter, the Company produced 5.3 million lbs of copper, 2,972 oz of gold, and 9,586 oz of silver. When compared to Q4-2016, production increased 4% for copper and 5% for gold. The increases in copper and gold produced are mainly explained by a 2% increase in processed material and 2% and 3% increases in the copper and gold head grades, respectively.

Cash costs<sup>(1)</sup> for the period were \$133.24 per tonne of processed ore, and \$1.67 per pound of payable copper produced<sup>(2)</sup>, increases of 40% and 27% over the same period last year, respectively. The increase in the cash cost per pound of payable copper net of by products is mainly explained by the increase in the cost per processed tonne and treatment surcharge, partially offset by a higher gold credit. All-in sustaining cash cost per payable pound of copper produced<sup>(1)(2)</sup> was \$2.28. The treatment surcharge during the quarter had a negative effect of 21.6% on the cash cost per payable pound of copper produced over Q4-2016.

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### *Consolidated Operational Details*

	Q1 Total	Q2 Total	Q3 Total	Q4 Total	2017 Total
<b>Production</b> (Contained in Concentrates)*					
Copper (000s pounds)	5,046	5,154	5,099	5,326	20,625
Gold (ounces)	2,550	2,570	2,831	2,972	10,923
Silver (ounces)	9,852	10,005	10,840	9,586	40,283
<b>Mine</b>					
Tonnes of ore mined	63,468	65,942	74,919	64,705	269,034
<b>Mill</b>					
Tonnes processed	62,885	62,802	66,443	63,948	256,078
Tonnes processed per day	810	794	794	763	790
Copper grade (%)	3.89	3.94	3.68	3.98	3.87
Gold grade (g/t)	19.2	2.07	2.16	2.25	2.10
Silver grade (g/t)	9.12	9.96	10.31	8.24	9.42
<b>Recoveries</b>					
Copper (%)	93.5	94.4	94.3	95.0	94.3
Gold (%)	65.8	61.8	61.1	64.2	63.2
Silver (%)	53.9	49.9	49.5	56.7	52.5
<b>Concentrates</b>					
Copper Concentrates (dmt)	10,566	10,460	10,551	11,224	42,801
Copper (%)	21.7	22.3	21.9	21.5	21.8
Gold (g/t)	7.5	7.6	8.4	8.2	7.9
Silver (g/t)	29.0	29.7	32.0	26.5	29.3
Payable copper produced (000s lbs)	4,790	4,897	4,844	5,060	19,591
Cash cost per pound of payable copper <sup>(1)(2)</sup> (\$/lbs)	1.41	1.30	1.37	1.67	1.44

\* 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://aticomining.com/investors/financial-reports/>

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CORPORATE OFFICE  
501 - 543 Granville St.  
Vancouver, BC  
Canada V6C 1X8  
Tel. +1.604.633.9022

TRADING SYMBOLS  
TSX.V: ATY  
OTC: ATCMF  
info@aticomining.com  
www.aticomining.com

### ***Annual General Meeting***

Atico Mining cordially invites all shareholders to its Annual General and Special Meeting of Shareholders, at 10:00 am, Wednesday, May 30, 2018, at Suite 501 - 543 Granville Street Vancouver, British Columbia.

### ***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 upgraded the operation from a historical nominal capacity of 400 tonnes per day.

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 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.

### ***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 operates the El Roble mine and is pursuing additional acquisition opportunities. For more information, please visit [www.aticomining.com](http://www.aticomining.com).

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TSX.V: ATY  
OTC: ATCMF  
info@aticomining.com  
[www.aticomining.com](http://www.aticomining.com)

## ON BEHALF OF THE BOARD

Fernando E. Ganoza  
CEO  
Atico Mining Corporation

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

Investor Relations  
Igor Dutina  
Tel: +1.604.633.9022

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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](http://www.sedar.com)*

*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 year ended December 31, 2017 as filed on SEDAR and as available on the Company's website for further details.*

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