

## **Atico Reports Consolidated Financial Results for the First Quarter of 2018**

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

Vancouver, May 24, 2018 -- Atico Mining Corporation (the “Company” or “Atico”) (TSX.V: ATY | OTC: ATCMF) today announced its financial results for the three months ended March 31, 2018, posting a net income of \$0.4 million.

Fernando E. Ganoza, CEO and Director, commented, "The strong production and all-in sustaining cash cost of \$1.85 achieved this quarter is not reflected in the financial results as a large concentrate shipment was delayed to the second quarter, along with the revenue associated with those tonnes. The shipping schedule is expected to stabilize during the second quarter, where we will then benefit from the additional shipped concentrate and recognized revenue. We anticipate strong financial results in the next quarter." Mr. Ganoza continued, "Our emphasis will continue to be on further strengthening our balance sheet, improving production costs and most importantly regional and underground exploration programs as our top priority."

### ***First Quarter Financial Highlights***

- Net income for the three months ended March 31, 2018 (“Q1-2018”) amounted to \$0.4 million, compared with \$1.3 million for the same period last year (“Q1-2017”). Net income for the period was negatively affected by a delayed concentrate shipment, partially offset by higher average realized copper and gold prices as compared to Q1-2017.
- Sales for the period decreased 57% to \$7.3 million when compared with Q1-2017. The decrease was due to a delayed concentrate shipment, partially offset by higher average realized copper and gold prices as compared to Q1-2017. Copper (“Cu”) and gold (“Au”) accounted for 92.9% and 7.1% of the total amount provisionally invoiced during Q1-2018. The average realized price per metal on provisional invoicing was \$3.16 (Q1-2017 - \$2.63) per pound of copper and \$1,332.69 (Q1-2017 - \$1,234.18) per ounce of gold.
- Working capital was \$5.2 million (December 31, 2017 - \$4.6 million), while the Company had long-term loans payable with \$1.9 million (December 31, 2017 - \$2.7 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 \$127.25 per tonne of processed ore and \$1.44 per pound of payable copper produced<sup>(2)</sup>, increases of 11% and 2% over the same period last year, respectively.
- Loss from operations was \$0.2 million (Q1-2017 - income of \$2.8 million) while cash flow from operations, before changes in working capital, was \$1.9 million (Q1-2017 - \$6.0 million). Cash used for capital expenditures amounted to \$2.2 million (Q1-2017 - \$2.1 million).
- At the end of the quarter, 11,303 (December 31, 2017 - 7,366) wet metric tonnes (“WMT”) of non-invoiced concentrate remained at the Company’s warehouses. As a planned concentrate shipment was delayed to the second quarter, concentrate inventory increased significantly at quarter end when compared to Q1-2017.
- All-in sustaining cash cost per payable pound of copper produced<sup>(1)(2)</sup> for Q1-2017 was \$1.85 (Q1-2017 - \$1.91).

### *First Quarter Summary of Financial Results*

	<b>Q1 2018</b>	<b>Q1 2017</b>	<b>% Change</b>
Revenue	\$ 7,349,124	\$ 17,213,518	-57%
Cost of sales	(5,891,830)	(12,682,270)	-54%
Income from mining operations	1,457,294	4,531,248	-68%
<i>As a % of revenue</i>	<i>20%</i>	<i>26%</i>	<i>-25%</i>
Selling, general and administrative expenses	1,608,443	1,592,501	1%
Income (loss) from operations	(208,910)	2,800,548	-107%
<i>As a % of revenue</i>	<i>-3%</i>	<i>16%</i>	<i>-117%</i>
Income before income taxes	302,880	2,608,356	-88%
Net income	366,091	1,289,016	-72%
<i>As a % of revenue</i>	<i>5%</i>	<i>7%</i>	<i>-33%</i>
Operating cash flow before changes in non-cash operating working capital items <sup>(1)</sup>	\$ 1,878,314	\$ 5,956,901	-68%

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

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### *First Quarter Operations Review*

During the quarter, the Company produced 5.5 million pounds (“lbs”) of copper, 2,825 ounces (“oz”) of gold, and 10,606 oz of silver. When compared to Q1-2017, production increased 9% and 11% for copper and gold, respectively. The increase in copper produced is entirely explained by 6% more processed material and partially offset by a 2% decrease in head grade. In the case of gold, the increase in processed material along with a 6% increase in head grade resulted in an 11% increase in gold production over Q1-2017.

Cash costs<sup>(1)</sup> for the period were \$127.25 per tonne of processed ore, and \$1.44 per pound of payable copper produced, increases of 11% and 2% 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 a higher cost per processed tonne, partially offset by a higher content and value of gold. A 22% increase in direct mine cost explains most of the higher cost per processed tonne. All-in sustaining cash cost per payable pound of copper produced<sup>(1)(2)</sup> was \$1.85.

### *First Quarter Operational Details*

	Q1 2018	Q1 2017	% Change
<b>Production</b> (Contained in Concentrate) <sup>(3)</sup>			
Copper (000s lbs)	5,476	5,046	9%
Gold (oz)	2,825	2,550	11%
Silver (oz)	10,606	9,852	8%
<b>Mine</b>			
Tonnes of material mined	67,022	63,468	6%
<b>Mill</b>			
Tonnes processed	66,499	62,885	11%
Tonnes processed per day	812	810	0%
Copper grade (%)	3.80	3.89	-2%
Gold grade (g/t)	2.03	1.92	6%
Silver grade (g/t)	8.71	9.12	-4%
<b>Recoveries</b>			
Copper (%)	94.0	93.5	1%
Gold (%)	62.8	65.8	-5%
Silver (%)	48.6	53.9	-10%

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<b>Concentrates</b>			
Copper Concentrates (DMT)	11,474	10,566	9%
Copper (%)	21.7	21.7	0%
Gold (g/t)	7.7	7.5	3%
Silver (g/t)	28.8	29.0	1%
Payable copper produced (000s lbs)	5,202	4,790	9%
Cash cost per pound of payable copper (\$/lbs) <sup>(1)(2)</sup>	1.44	1.41	2%

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 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.

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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.aticominig.com](http://www.aticominig.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](http://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, 2018 as filed on SEDAR and as available on the Company's website for further details.*

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