

Atico Reports Financial Results for Third Quarter of 2021 and Provides Corporate Update

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

Vancouver, November 17, 2021 -- Atico Mining Corporation (the “Company” or “Atico”) (TSX.V: ATY | OTCQX: ATCMF) today announced its financial results for the three months ended September 30, 2021 (“Q3-2021”), posting income from mining operations of \$13.8 million and a net income of \$7.6 million.

Fernando E. Ganoza, CEO and Director, commented, "during this quarter the operation improved most of the production metrics relative to the first half of the year, however we saw a slight increase in cash cost during this period mainly driven by a lower copper head grade and metal output. The costs were mostly mitigated by higher realized metal prices leading to a cash margin of \$2.86 per pound of payable copper as the Company broke records in most financial metrics for a single quarter. We closed this period showing a good cash position of \$14.3 million along with \$15.0 million in trade receivables which should be realized in the following weeks." Mr. Ganoza continued, "As we continue to take full advantage of the higher metal price environment, we are expecting to achieve record revenues and earnings for the year."

Third Quarter Financial Highlights

- Net income for the three months ended September 30, 2021 (“Q3-2021”) amounted to \$7.6 million, compared with \$1.9 million for the comparative period (“Q3-2020”). The significant increase in net income was due to increase of concentrate shipped and invoiced and a higher realized copper price, as compared to Q3-2020.
- Sales for the period increased 126% to \$31.8 million when compared with \$14.1 million in Q3-2020. Copper (“Cu”) and gold (“Au”) accounted for 85% and 15% of the 16,184 (Q3-2020 - 9,291) dry metric tonnes (“DMT”) shipped and invoiced during Q3-2021. The average realized price per metal on invoicing was \$4.26 (Q3-2020 - \$2.98) per pound (“lbs”) of copper and \$1,782 (Q3-2020 - \$1,991) per ounce (“oz”) of gold.
- Working capital was \$22.8 million (December 31, 2020 - \$22.5 million), while the Company had \$6.2 million (December 31, 2020 - \$6.8 million) in long-term loans payable
- Cash costs⁽¹⁾ were \$111.49 per tonne of processed ore and \$1.40 per pound of payable copper produced⁽²⁾, which were a decrease of 2% and an increase of 24% over Q3-2020, respectively. The increase in the cash cost per pound of payable copper net of by products is mainly explained by a decrease in copper production due to a lower processed head-grade than in the same quarter of last year

⁽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 margin⁽¹⁾⁽²⁾ was \$2.86 (Q3-2020 - \$1.85) per pound of payable copper produced, which was an increase of 54% over Q3-2020.
- All-in sustaining cash cost per payable pound of copper produced⁽¹⁾⁽²⁾ was \$2.19 (Q3-2020 - \$1.54).

Third Quarter Summary of Financial Results

	Q3 2021	Q3 2020	% Change
Revenue	\$ 31,807,740	\$ 14,064,743	126%
Cost of sales	(18,048,730)	(9,070,796)	99%
Income from mining operations	13,759,010	4,993,947	176%
<i>As a % of revenue</i>	<i>43%</i>	<i>36%</i>	<i>22%</i>
General and administrative expenses	1,439,993	1,046,709	38%
Income from operations	12,116,690	3,769,289	221%
<i>As a % of revenue</i>	<i>38%</i>	<i>27%</i>	<i>42%</i>
Income before income taxes	12,208,835	3,092,112	295%
Net income	7,555,343	1,875,823	303%
<i>As a % of revenue</i>	<i>24%</i>	<i>13%</i>	<i>78%</i>
Operating cash flow before changes in non-cash operating working capital items ⁽¹⁾	\$ 14,574,929	\$ 3,057,114	377%

Third Quarter Operational Review

In Q3-2021, the Company produced 4.44 million lbs of copper, 2,978 oz of gold, and 11,692 oz of silver. When compared to same period in 2020, production decreased by 20% for copper and increased by 14% for gold. The decrease for copper is mostly explained by 25% decrease in processed head-grade.

Cash costs⁽¹⁾ for the period were \$111.49 per tonne of processed ore and \$1.40 per pound of payable copper produced, decrease of 2% and increase of 24% over Q3-2020, respectively. All-in sustaining cash cost per payable pound of copper produced⁽¹⁾⁽²⁾ was \$2.19.

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Third Quarter Operational Details

	Q3 2021	Q3 2020	% Change
Production (Contained metals) ⁽³⁾			
Copper (000s lbs)	4,442	5,540	-20%
Gold (oz)	2,978	2,607	14%
Silver (oz)	11,692	9,953	18%
Mine			
Tonnes of material mined	76,276	71,993	6%
Mill			
Tonnes processed	77,816	73,603	6%
Tonnes processed per day	919	860	7%
Copper grade (%)	2.80	3.74	-25%
Gold grade (g/t)	2.02	1.93	5%
Silver grade (g/t)	8.27	9.20	-10%
Recoveries			
Copper (%)	92.6	91.4	1%
Gold (%)	58.8	56.3	4%
Silver (%)	56.6	47.0	20%
Concentrates			
Copper Concentrates (DMT)	10,704	11,957	-11%
Copper (%)	18.8	21.0	-11%
Gold (g/t)	8.7	6.8	28%
Silver (g/t)	34.0	25.8	32%
Payable copper produced (000s lbs)	4,182	5,263	-21%
Cash cost per pound of payable copper (\$/lbs) ⁽¹⁾⁽²⁾	1.40	1.13	24%

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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Corporate Update

The Company announced in its press release dated July 22, 2021, that it is currently in the process of renewing the title on its claims hosting the El Roble property, which under the current agreement are set to expire in January 2022. This process is still ongoing. The Company is working diligently with the authorities and believes it has followed and fulfilled all of the renewal requirements. However, at this time, the title has not been renewed and there is no assurance that it will be renewed. If the new title is not granted on or before January 23, 2022, the Company will be forced to halt mining operations. That outcome would be materially adverse for the Company since it will have no cash flow from operations and will be required to change its priorities. The Company will continue to firmly pursue the renewal of the title and will advise the market of any developments as they occur.

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 2,300 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 | OTCQX: 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, including statements regarding expected record revenue and earnings for the year and the renewal of the Company’s claims hosting the El Roble property. 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 uncertainty around the renewal of the title on the Company’s claims hosting the El Roble property; 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 prospectus of the Company dated March 2, 2012 filed with the Canadian securities regulatory authorities on the SEDAR website at www.sedar.com. Readers should not place undue reliance on forward-looking statements, which speak only as of the date made. The forward-looking statements contained in this release represent our expectations as of the date of this release. We disclaim any intention or obligation or undertaking to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except as required under applicable securities laws.

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 nine months ended September 30, 2021 as filed on SEDAR and as available on the Company’s website for further details.

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