



ATACAMA PACIFIC PROVIDES CERRO MARICUNGA EXPLORATION AND METALLURGICAL PROGRAM UPDATE

Phase I Drill Results Include 302 Metres Grading 0.79 g/t Gold

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TORONTO, December 1, 2010 – Atacama Pacific Gold Corporation (TSXV:ATM) (“Atacama Pacific”) is pleased to provide a progress update on its ongoing \$6.3 million Phase II drill program at its 100%-owned Cerro Maricunga gold project located 140 road kilometres northeast of the city of Copiapo, Chile and 20 kilometres south of Kinross Gold’s La Coipa mine. Atacama Pacific commenced the Phase II drilling in late October, 2010 and presently three drills are operating on the property with a fourth drill anticipated to arrive in early January 2011.

The drill program is focused on a large zone of breccia-hosted gold mineralization discovered by Atacama Pacific which has been traced over a strike length of 2.5 kilometres with widths of up to 500 metres. Atacama Pacific’s Phase I drill program, completed in March 2010, extended the gold mineralization to depths of up to 450 metres below surface. The breccias are extensively oxidized and the zone of oxidization remains open to depth.

The 2,142 metre Phase I drill program returned significant intervals of gold mineralization in all eight drill holes including 132 metres grading 1.31 grams per tonne gold (“g/t Au”) (CMD-001) and 302 metres grading 0.79 g/t Au (CMR-002). Table 1 presents a summary of the Phase I drill assay results.

“With the recent completion of a \$29 million initial public offering, Atacama Pacific is well positioned to aggressively drill the Cerro Maricunga gold project,” stated Carl B. Hansen, President and CEO of Atacama Pacific, “with the goal of completing an initial resource estimate during the second half of 2011. In addition to ongoing drill activities, metallurgical test work is continuing with the results from three column percolation leach tests anticipated later this month.”

In conjunction with the drilling, Atacama Pacific is undertaking a program of bulldozer trenching and sampling to determine the extent of the gold mineralization on surface and assist in defining the scope of the drilling program. Existing trench assay results have shown a good correlation with the drill assay results received to date. Atacama Pacific is also planning an induced polarization geophysical survey for early 2011.

Table 1 – Highlights of Phase I Drill Assay Results (0.30 g/t Au cut-off grade)

Hole # ¹	Zone	Hole Length (metres)	From (metres)	To (metres)	Interval ² (metres)	Grade (g/t Au)
CMD-001	<i>Crux</i>	217	0	132	132	1.31
<i>including</i>			30	122	92	1.53
<i>including</i>			62	104	42	1.82
CMR-002	<i>Phoenix</i>	342	40	342	302	0.79
<i>including</i>			90	310	220	0.92
<i>including</i>			130	148	18	2.13
CMR-003	<i>Phoenix</i>	228	4	104	100	0.43
<i>including</i>			76	104	28	0.64
			154	200	46	0.79
CMD-004	<i>Lynx</i>	182	70	176	106	0.51
CMR-005	<i>Crux</i>	252	2	18	16	0.83
			56	246	190	0.64
<i>including</i>			118	190	72	0.75
CMR-006	<i>Crux</i>	26	60	84	26	0.35
CMR-007	<i>Crux</i>	300	0	92	92	0.54
CMD-008	<i>Phoenix</i>	321	74	246	172	0.66
<i>including</i>			112	246	134	0.73
<i>including</i>			116	178	62	0.90

1. Drill holes prefixed "CMD" are diamond core holes; holes prefixed "CMR" are RC holes
2. Interval lengths represent down-hole distance and not true width.

Metallurgical Test Work Update

The results from three column percolation leach tests, conducted on composited gold-bearing samples collected from quartered diamond drill core from the Phase I drilling program, are anticipated in December 2010.

The column tests follow up on the results from 20 bottle rolls tests completed in September 2010. The bottle rolls were conducted to assess the impact of grind size on gold recovery and returned recoveries varying from 75 to 81% on samples crushed to 19 mm with relatively fast leach kinetics: 90% of the extractable gold was recovered within the first 96 hours. Lime consumption averaged 3 kg/t (2.5 to 4.0 kg/t) and NaCN consumption averaged 0.15 kg/t (<0.1 to 0.3 kg/t). Bottle roll tests on finer ground material, as summarized in Table 2, showed higher recoveries.

Atacama Pacific's metallurgical testing program is managed by AMTEL (Advanced Mineral Technology Laboratory Ltd), London, Canada. The ongoing column tests and bottle roll tests, noted above, were conducted by Kappes, Cassidy and Associates, Reno, Nevada. The bottle roll tests were run for 10 days with test charges of 5,000 grams for the 19 mm and 12.5 mm



grind tests and 1,000 grams for the 9.5 mm, 6.3 mm and 1.0 mm grind tests. Fluid pH was maintained in the 10 – 11 range with lime and NaCl concentration was kept at 1 g NaCl/L.

Table 2 - Metallurgical Test Results - 1.0 to 19.0 mm Grind Bottle Roll

Sample	Grade (g/t Au)	Gold Recoveries (%)									
		19.0 mm		12.5 mm		9.5 mm		6.3 mm		1.0 mm	
Comp. 1	1.08	81	81	83	83	86	85	85	80	88	88
Comp. 2	0.78	76	75	77	75	78	77	79	78	80	79

About Atacama Pacific Gold Corporation

Atacama Pacific’s principal business is the acquisition, exploration and development of precious metals resource properties in Chile. Atacama Pacific’s principal mineral property is the Cerro Maricunga oxide-associated, breccia-hosted gold project, located in Region III, 140 kilometres by road northeast of the city of Copiapo. Atacama Pacific’s goal is to become a producer of gold through the exploration and development of the Cerro Maricunga Project. Atacama Pacific also owns four other mineral properties within close proximity to the Cerro Maricunga Project and a fifth property in Chile’s Region I.

Quality Control / Quality Assurance Program

RC chips and diamond drill core from Atacama Pacific’s drilling campaign were collected at the drill under the direct supervision of company staff. Both the RC samples and drill core were appropriately tagged, secured and transported to the Atacama Pacific exploration camp and then to a secure sample, logging and storage site in Copiapo, Chile. Each RC chip sample was split to obtain a 15 kilogram sample for assay purposes. Representative chips were collected from each sample for logging purposes. Drill core was logged, marked at two metre intervals for sampling and split longitudinally with a diamond drill saw. One half of the core was bagged and sample tags attached and the second half of the core was returned to the core boxes. All samples were appropriately tagged and securely stored prior to shipping to Asesoría Minera Geoanalítica Ltda.’s (“Geoanalítica”) laboratory in La Serena, Chile

Samples were processed and analyzed for gold using fire assay techniques using two assay/ton samples (about 50 gram) with an atomic absorption spectrographic finish for a sensitivity of 5 ppb (.005 ppm) gold. Samples which returned gold values greater than 1.00 g/t Au were re-analyzed by Geoanalítica using fire assay techniques with a gravimetric finish. Duplicate samples were inserted at a rate of approximately 5%. Approximately 15% of the samples submitted to Geoanalítica comprise standard, blanks and duplicated samples to ensure laboratory quality control procedures.



National Instrument 43-101 Compliance

Under National Instrument 43-101 (“NI 43-101”) of the Canadian Securities Administrators, the qualified person for the Cerro Maricunga Property is Michael Easdon, a resident of Santiago, Chile and a Professional Geologist registered with the State of Oregon, USA. Mr. Easdon, an independent qualified person as defined by NI 43-101, has reviewed and verified the contents of this press release.

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This release contains forward-looking statements, including predictions, projections and forecasts. Forward-looking statements include, but are not limited to, statements with respect to completion of economic assessments, exploration results, the success of exploration activities generally, mine development prospects, and future gold production. Often, but not always, forward-looking statements can be identified by the use of words such as “plans”, “planning”, “expects” or “does not expect”, “continues”, “scheduled”, “estimates”, “forecasts”, “intends”, “potential”, “anticipates”, “does not anticipate”, or “belief”, or describes a “goal”, or variation of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved.

Forward-looking statements involve known and unknown risks, future events, conditions, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any future results, prediction, projection, forecast, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, the results of due diligence activities, the interpretation and actual results of current exploration activities; changes in project parameters as plans continue to be refined; future prices of gold; possible variations in grade or recovery rates; failure of equipment or processes to operate as anticipated; labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of exploration, as well as those factors disclosed in Atacama Pacific’s publicly filed documents. Although Atacama Pacific has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

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